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JOURNAL  
OF THE  
HOUSE  
OF REPRESENTATIVES  
SEVENTY-SIXTH SESSION

OF THE  
LEGISLATURE

STATE OF MINNESOTA

1989

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## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION—1989

## FIRST DAY

SAINT PAUL, MINNESOTA, TUESDAY, JANUARY 3, 1989

In accordance with the Constitution and the Laws of the State of Minnesota, the members-elect of the House of Representatives assembled in the Chamber of the House of Representatives in the Capitol in Saint Paul on Tuesday, the third day of January, 1989.

At the hour of twelve o'clock noon and pursuant to Minnesota Statutes 1988, Section 3.05, the Honorable Joan Anderson Growe, Secretary of State, called the members-elect to order and appointed the Honorable Douglas W. Carlson from District 14B as Clerk pro tempore.

Prayer was offered by the Reverend Donald Wafler of the Cathedral of Our Merciful Savior, Faribault, Minnesota.

The Clerk pro tempore called the roll by legislative district in numerical order, and the following members-elect presented proof of their eligibility to be sworn in and seated as members of the House of Representatives:

District 1A.....	Jim Tunheim
District 1B.....	Wally Sparby
District 2A.....	Bernard L. "Bernie" Lieder
District 2B.....	Edgar Olson
District 3A.....	Bob Neuenschwander
District 3B.....	Loren A. Solberg
District 4A.....	Bob Johnson
District 4B.....	Anthony G. (Tony) Kinkel
District 5A.....	Tom Rukavina
District 5B.....	Jerry Janezich
District 6A.....	David P. Battaglia
District 6B.....	Joseph Begich
District 7A.....	Willard Munger
District 7B.....	Mike Jaros
District 8A.....	Mary Murphy

District 8B	Ben Boo
District 9A	Diane Wray Williams
District 9B	Marvin K. Dauner
District 10A	Dennis Poppenhagen
District 10B	Bob Anderson
District 11A	Chuck Brown
District 11B	Clair Nelson
District 12A	Don Richter
District 12B	Richard "Rick" Krueger
District 13A	Kris Hasskamp
District 13B	Stephen G. Wenzel
District 14A	Paul Anders Ogren
District 14B	Doug Carlson
District 15A	Sylvester Uphus
District 15B	Allan W. Welle
District 16A	Bernie Omann
District 16B	Jeff Bertram
District 17A	Marcus Marsh
District 17B	Dave Gruenes
District 18A	Jerome "JP" Peterson
District 18B	Jerry J. Bauerly
District 19A	Harold Lasley
District 19B	Loren G. Jennings
District 20A	Glen H. Anderson
District 20B	Howard Miller
District 21A	Steve Dille
District 21B	Roger Cooper
District 22A	Bob McEachern
District 22B	Tony Onnen
District 23A	
District 23B	Don Ostrom
District 24A	John Dorn
District 24B	Marcel "Sal" Frederick
District 25A	Robert E. Vanasek
District 25B	Peter Rodosovich
District 26A	Steven Sviggum
District 26B	Bob Waltman
District 27A	Jim Girard
District 27B	Andy Steensma
District 28A	Ted Winter
District 28B	Katy Olson
District 29A	Gene Hugoson
District 29B	Henry J. Kalis
District 30A	Dean Hartle
District 30B	Jeff Conway
District 31A	Bob Haukoos
District 31B	Leo J. Reding
District 32A	Don L. Frerichs
District 32B	Elton R. Redalen
District 33A	Gil Gutknecht
District 33B	Dave Bishop
District 34A	Virgil J. Johnson

District 34B..... Gene Pelowski, Jr.  
District 35A ..... Gary Schafer  
District 35B..... K. J. McDonald  
District 36A ..... Becky Kelso  
District 36B..... Bill Macklin  
District 37A ..... Eileen Tompkins  
District 37B..... Dennis Ozment  
District 38A ..... Connie Morrison  
District 38B..... Art Seaberg  
District 39A ..... Thomas W. Pugh  
District 39B..... Robert P. Milbert  
District 40A ..... Chris Tjornhom  
District 40B..... Joyce Henry  
District 41A ..... John Himle  
District 41B..... Kathleen Blatz  
District 42A ..... Sidney Pauly  
District 42B..... Mary Forsythe  
District 43A ..... John Burger  
District 43B ..... Jerry Knickerbocker  
District 44A ..... Sally Olsen  
District 44B..... Gloria Segal  
District 45A ..... Ron Abrams  
District 45B ..... Jim Heap  
District 46A ..... Ann H. Rest  
District 46B..... Lyndon R. Carlson  
District 47A ..... Linda Scheid  
District 47B..... Phil Carruthers  
District 48A ..... Warren E. Limmer  
District 48B ..... Bill Schreiber  
District 49A ..... Charlie Weaver  
District 49B..... Joel Jacobs  
District 50A ..... Teresa Lynch  
District 50B ..... Joe Quinn  
District 51A ..... Alice M. Johnson  
District 51B..... Wayne Simoneau  
District 52A .....  
District 52B..... Dick Pellow  
District 53A ..... Tony L. Bennett  
District 53B ..... Brad Stanius  
District 54A ..... Don Valento  
District 54B ..... Dick Kostohryz  
District 55A ..... Douglas Swenson  
District 55B..... Harriet McPherson  
District 56A ..... Len Price  
District 56B ..... Pat Beard  
District 57A ..... James I. Rice  
District 57B..... Richard H. Jefferson  
District 58A ..... John J. Sarna  
District 58B..... Phyllis Kahn  
District 59A ..... Dee Long  
District 59B..... Todd Otis  
District 60A ..... Karen Clark

District 60B.....	Peter McLaughlin
District 61A .....	Lee Greenfield
District 61B.....	Wesley J. "Wes" Skoglund
District 62A .....	Ken Nelson
District 62B.....	Jean Wagenius
District 63A .....	Mary Jo McGuire
District 63B.....	Ann Wynia
District 64A .....	Kathleen Vellenga
District 64B.....	Howard Orenstein
District 65A .....	Andy Dawkins
District 65B.....	
District 66A .....	Tom Osthoff
District 66B.....	Rich O'Connor
District 67A .....	Randy C. Kelly
District 67B .....	Steve Trimble

131 eligible persons answered to the call by legislative district.

The arrival of the Honorable Douglas K. Amdahl, Chief Justice, Minnesota Supreme Court, was announced and he was escorted to the front of the Chamber.

#### OATH OF OFFICE

The members-elect subscribed to the oath of office as administered to them by the Honorable Chief Justice Amdahl.

The oath of office for Representative in the Minnesota Legislature was administered in Minneapolis on January 3, 1989, to James I. Rice by his son, Minnesota District Court Judge Sean Jerome Rice. On the same day in Minneapolis, Representative Rice had administered the oath of office to Judge Rice, who entered upon a six-year term as Minnesota District Court Judge.

The members took their seats in the Chamber of the House of Representatives.

The Clerk pro tempore called the roll in alphabetical order and the following members answered to their names:

Abrams	Carlson, D.	Greenfield	Jennings	Limmer
Anderson, G.	Carlson, L.	Gruenes	Johnson, A.	Long
Anderson, R.	Carruthers	Gutknecht	Johnson, R.	Lynch
Battaglia	Clark	Hartle	Johnson, V.	Macklin
Bauerly	Conway	Hasskamp	Kahn	Marsh
Beard	Cooper	Haukoos	Kalis	McDonald
Begich	Dauner	Heap	Kelly	McEachern
Bennett	Dawkins	Henry	Kelso	McGuire
Bertram	Dille	Himle	Kinkel	McLaughlin
Bishop	Dorn	Hugoson	Knickerbocker	McPherson
Blatz	Forsythe	Jacobs	Kostohryz	Milbert
Boo	Frederick	Janezich	Krueger	Miller
Brown	Frerichs	Jaros	Lasley	Morrison
Burger	Girard	Jefferson	Lieder	Munger

Murphy	Ostrom	Rest	Solberg	Vellenga
Nelson, C.	Otis	Rice	Sparby	Wagenius
Nelson, K.	Ozment	Richter	Stanius	Waltman
Neuenschwander	Pauly	Rodosovich	Steensma	Weaver
O'Connor	Pellow	Rukavina	Swiggum	Welle
Ogren	Pelowski	Sarna	Swenson	Wenzel
Olsen, S.	Peterson	Schafer	Tjornhom	Williams
Olson, E.	Poppenhagen	Scheid	Tompkins	Winter
Olson, K.	Price	Schreiber	Trimble	Wynia
Omann	Pugh	Seaberg	Tunheim	
Omen	Quinn	Segal	Uphus	
Orenstein	Redalen	Simoneau	Valento	
Osthoff	Reding	Skoglund	Vanasek	

A quorum was present.

#### ELECTION OF OFFICERS

The Secretary of State announced the next order of business to be the election of the Speaker.

The name of Robert E. Vanasek was placed in nomination by Anderson, G. The nomination was seconded by Munger; Rice; Johnson, A., and Solberg.

The name of Elton R. Redalen was placed in nomination by Swiggum. The nomination was seconded by Blatz, Uphus and Schreiber.

There being no further nominations, the Secretary of State declared the nominations closed.

The Clerk pro tempore called the roll on the election of a Speaker.

The following members of the House voted for Vanasek:

Anderson, G.	Hasskamp	Lieder	Osthoff	Simoneau
Battaglia	Jacobs	Long	Ostrom	Skoglund
Bauerly	Janezich	McEachern	Otis	Solberg
Beard	Jaros	McGuire	Pelowski	Sparby
Begich	Jefferson	McLaughlin	Peterson	Steensma
Bertram	Jennings	Milbert	Price	Trimble
Brown	Johnson, A.	Munger	Pugh	Tunheim
Carlson, L.	Johnson, R.	Murphy	Quinn	Vanasek
Carruthers	Kahn	Nelson, C.	Reding	Vellenga
Clark	Kalis	Nelson, K.	Rest	Wagenius
Conway	Kelly	Neuenschwander	Rice	Welle
Cooper	Kelso	O'Connor	Rodosovich	Wenzel
Dauner	Kinkel	Ogren	Rukavina	Williams
Dawkins	Kostohryz	Olson, E.	Sarna	Winter
Dorn	Krueger	Olson, K.	Scheid	Wynia
Greenfield	Lasley	Orenstein	Segal	

Vanasek received 79 votes.

The following members of the House voted for Redalen:

Abrams	Frerichs	Knickerbocker	Onnen	Sviggum
Anderson, R.	Girard	Limmer	Ozment	Swenson
Bennett	Gruenes	Lynch	Pauly	Tjornhom
Bishop	Gutknecht	Macklin	Pellow	Tompkins
Blatz	Hartle	Marsh	Poppenhagen	Uphus
Boo	Haukoos	McDonald	Redalen	Valento
Burger	Heap	McPherson	Richter	Waltman
Carlson, D.	Henry	Miller	Schafer	Weaver
Dille	Himle	Morrison	Schreiber	
Forsythe	Hugoson	Olsen, S.	Seaberg	
Frederick	Johnson, V.	Omann	Stanius	

Redalen received 52 votes.

Robert E. Vanasek, having received a majority of the votes cast, was declared duly elected Speaker of the House.

Krueger; McLaughlin; Johnson, R.; Kelso; Dauner; Bishop and Johnson, V., were appointed to escort the Speaker-elect to the rostrum.

#### OATH OF OFFICE

The oath of office was administered to Speaker-elect Robert E. Vanasek by the Honorable Chief Justice Douglas K. Amdahl. The Speaker expressed his appreciation for the honor bestowed upon him.

The Speaker announced the next order of business to be the election of the Chief Clerk.

The name of Edward A. Burdick was placed in nomination by Wynia. The nomination was seconded by Schreiber.

There being no further nominations, the Speaker declared the nominations closed.

The Clerk pro tempore called the roll on the election of the Chief Clerk and the following voted for Burdick:

Abrams	Brown	Forsythe	Himle	Kelly
Anderson, G.	Burger	Frederick	Hugoson	Kelso
Anderson, R.	Carlson, D.	Frerichs	Jacobs	Kinkel
Battaglia	Carlson, L.	Girard	Janezich	Knickerbocker
Bauerly	Carruthers	Greenfield	Jaros	Kostohryz
Beard	Clark	Gruenes	Jefferson	Krueger
Begich	Conway	Gutknecht	Jennings	Lasley
Bennett	Cooper	Hartle	Johnson, A.	Lieder
Bertram	Dauner	Hasskamp	Johnson, R.	Limmer
Bishop	Dawkins	Haukoos	Johnson, V.	Long
Blatz	Dille	Heap	Kahn	Lynch
Boo	Dorn	Henry	Kalis	Macklin

Marsh	O'Connor	Pelowski	Schafer	Tompkins
McDonald	Ogren	Peterson	Scheid	Trimble
McEachern	Olsen, S.	Poppenhagen	Schreiber	Tunheim
McGuire	Olson, E.	Price	Seaberg	Uphus
McLaughlin	Olson, K.	Pugh	Segal	Valento
McPherson	Omann	Quinn	Simoneau	Vellenga
Milbert	Onnen	Redalen	Skoglund	Wagenius
Miller	Orenstein	Reding	Solberg	Waltman
Morrison	Osthoff	Rest	Sparby	Weaver
Munger	Ostrom	Rice	Stanius	Welle
Murphy	Otis	Richter	Steensma	Wenzel
Nelson, C.	Ozment	Rodosovich	Sviggum	Williams
Nelson, K.	Pauly	Rukavina	Swenson	Winter
Neuenschwander	Pellow	Sarna	Tjornhom	Wynia
				Spk. Vanasek

Edward A. Burdick, having received a majority of the votes cast, was declared elected Chief Clerk of the House of Representatives.

#### OATH OF OFFICE

The oath of office was administered to the Chief Clerk-elect by the Speaker.

The Speaker announced the next order of business to be the election of other elected officers of the House of Representatives.

Wynia offered the following resolution and moved its adoption:

*Resolved*, That the election of other officers be made on one roll call unless there should be more than one nomination for any one office.

The motion prevailed and the resolution was adopted.

The following names were placed in nomination:

The name of Albin A. Mathiowetz was placed in nomination for First Assistant Chief Clerk by Rodosovich.

The name of Teresa B. Kittridge was placed in nomination for Second Assistant Chief Clerk by Dorn.

The name of Ronald G. Lawrence was placed in nomination for Postmaster by Jacobs.

The name of Song K. Kong was placed in nomination for Assistant Postmaster by Trimble.

The name of Margaret M. Olson was placed in nomination for Assistant Sergeant at Arms by Osthoff.

The name of Toya A. Farrar-Orr was placed in nomination for Assistant Sergeant at Arms by Kelly.

The name of LeClair G. Lambert was placed in nomination for Assistant Sergeant at Arms by Vellenga.

The name of Frank J. Strohmayr was placed in nomination for Index Clerk by Kostohryz.

There being no further nominations, the Speaker declared the nominations closed.

The Chief Clerk called the roll on the election of the other officers and the following members voted for the other officers:

Abrams	Frerichs	Kostohryz	Olson, K.	Schreiber
Anderson, G.	Girard	Krueger	Omann	Seaberg
Anderson, R.	Greenfield	Lasley	Onnen	Segal
Battaglia	Gruenes	Lieder	Orenstein	Simoneau
Bauerly	Gutknecht	Limmer	Osthoff	Skoglund
Beard	Hartle	Long	Ostrom	Solberg
Begich	Hasskamp	Lynch	Otis	Sparby
Bennett	Haukoos	Macklin	Ozment	Stanius
Bertram	Heap	Marsh	Pauly	Steensma
Bishop	Henry	McDonald	Pellow	Sviggum
Blatz	Himle	McEachern	Pelowski	Swenson
Boo	Hugoson	McGuire	Peterson	Tjornhom
Brown	Jacobs	McLaughlin	Poppenhagen	Tompkins
Burger	Janezich	McPherson	Price	Trimble
Carlson, D.	Jaros	Milbert	Pugh	Tunheim
Carlson, L.	Jefferson	Miller	Quinn	Uphus
Carruthers	Jennings	Morrison	Redalen	Valento
Clark	Johnson, A.	Munger	Reding	Vellenga
Conway	Johnson, R.	Murphy	Rest	Wagenius
Cooper	Johnson, V.	Nelson, C.	Rice	Waltman
Dauner	Kahn	Nelson, K.	Richter	Weaver
Dawkins	Kalis	Neuenschwander	Rodosovich	Welle
Dille	Kelly	O'Connor	Rukavina	Wenzel
Dorn	Kelso	Ogren	Sarna	Williams
Forsythe	Kinkel	Olsen, S.	Schafer	Winter
Frederick	Knickerbocker	Olson, E.	Scheid	Wynia
				Spk. Vanasek

The nominees, having received a majority of the votes cast, were declared duly elected to their respective offices.

#### OATH OF OFFICE

The oath of office was administered to those elected to the above offices by the Speaker.

Wynia offered the following resolution and moved its adoption:

*Resolved*, That the temporary Rules of the House for this session, the 76th regular session, shall be the same as the Permanent Rules

of the House for the last session, the 75th regular session, as they existed on Monday, April 25, 1988, with the following exceptions:

Rule 1.1 shall read as follows:

1.1 CONVENING OF THE HOUSE. Unless otherwise ordered, regular sessions of the House shall convene at two-thirty p.m. The Speaker shall take the chair at the hour at which the House convenes and the House shall then be called to order. After prayer by the Chaplain or a brief meditation, a roll of members shall be called and the names of members present and members excused shall be entered in the Journal of the House.

Rule 6.1 shall read as follows:

6.1 COMMITTEES. Standing committees of the House shall be appointed by the Speaker as follows:

**Agriculture**

**Appropriations**

Divisions: **Agriculture, Transportation and  
Semi-State  
Health and Human Services  
Education  
State Departments**

**Commerce**

**Economic Development**

Divisions: **International Trade and Technology  
Rural Resource Development  
Community Stabilization and  
Development**

**Education**

Divisions: **Education Finance  
Higher Education**

**Environment and Natural Resources**

**Financial Institutions and Housing**

Division: **Housing**

**General Legislation, Veterans Affairs and Gaming**

Divisions: **Elections  
Gaming**

**Governmental Operations**

**Health and Human Services**

Insurance

Judiciary

Division: Criminal Justice

Labor-Management Relations

Local Government and Metropolitan Affairs

Regulated Industries

Rules and Legislative Administration

Taxes

Transportation

Ways and Means

All deadlines referred to in rules 1.16, 3.4, 5.10, 6.11 and 9.3 shall not be applicable until such time as new Permanent Rules shall have been adopted.

The temporary Rules of the House for the 76th session shall apply to the order of business of parliamentary practice until such time as the Committee on Rules and Legislative Administration to be appointed by the Speaker shall have made its report and new Permanent Rules shall have been adopted.

The motion prevailed and the temporary Rules of the House for the 76th session were adopted.

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of Andrew R. Remke as Chief Sergeant at Arms.

#### OATH OF OFFICE

The oath of office was administered to the Chief Sergeant at Arms by the Speaker.

Wynia offered the following resolution and moved its adoption:

*Resolved*, That the Chief Clerk be instructed to inform the Senate that the House is duly organized pursuant to law and to invite the Senate to meet with the House in Joint Convention at 6:15 p.m.,

Wednesday, January 4, 1989, to receive the message of the Governor which will be delivered at 6:30 p.m.

The motion prevailed and the resolution was adopted.

Wynia offered the following resolution and moved its adoption:

*Resolved*, That an invitation be extended to the Governor to address a Joint Convention of the House and Senate to be held in the House Chamber on Wednesday, January 4, 1989, said Joint Convention to convene at 6:15 p.m. and said message to be delivered at 6:30 p.m.; and that the Speaker appoint a committee of seven members of the House to act with a similar committee of the Senate to extend the invitation to the Governor and to notify him that the House of Representatives is now duly organized pursuant to law.

The motion prevailed and the resolution was adopted.

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to the committee to invite the Governor to address the Joint Convention and to notify him that the House is now organized:

Sarna, Chair; Conway; Hasskamp; Beard; Janezich; Dille and Blatz.

Wynia offered the following resolution and moved its adoption:

*Resolved*, That the Speaker be and he is hereby directed to appoint a committee of seven members on the part of the House to act with a similar committee on the part of the Senate to escort the Governor to the Joint Convention to be held in the House Chamber on Wednesday evening, January 4, 1989.

The motion prevailed and the resolution was adopted.

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to the committee to escort the Governor to the House Chamber Wednesday evening, January 4, 1989:

Pugh, Chair; McGuire; Ostrom; Weaver; O'Connor; Skoglund and Pauly.

Wynia offered the following resolution and moved its adoption:

*Resolved*, That necessary employees as directed by the Committee on Rules and Legislative Administration be authorized by the House effective today, Tuesday, January 3, 1989, to better expedite the business of the House.

The question was taken on the adoption of the Wynia resolution relating to employees and the roll was called. There were 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Gutknecht	Lynch	Ostrom	Skoglund
Anderson, G.	Hartle	Macklin	Otis	Solberg
Anderson, R.	Haukoos	Marsh	Ozment	Sparby
Battaglia	Heap	McDonald	Pauly	Stanius
Bauerly	Henry	McEachern	Pellow	Steensma
Begich	Himle	McGuire	Pelowski	Sviggum
Bennett	Hugoson	McLaughlin	Peterson	Swenson
Bertram	Janezich	McPherson	Poppenhagen	Tjornhom
Boo	Jaros	Milbert	Price	Tompkins
Brown	Jefferson	Miller	Pugh	Trimble
Burger	Jennings	Morrison	Quinn	Tunheim
Carlson, D.	Johnson, A.	Munger	Redalen	Uphus
Carlson, L.	Johnson, V.	Murphy	Reding	Valento
Carruthers	Kahn	Nelson, C.	Rest	Vellenga
Clark	Kalis	Nelson, K.	Rice	Wagenius
Cooper	Kelly	Neuenschwander	Richter	Waltman
Dauner	Kelso	O'Connor	Rodosovich	Weaver
Dawkins	Kinkel	Ogren	Rukavina	Welle
Dorn	Knickerbocker	Olsen, S.	Sarna	Wenzel
Forsythe	Kostohryz	Olson, E.	Schafer	Williams
Frederick	Krueger	Olson, K.	Scheid	Winter
Frerichs	Lasley	Omann	Schreiber	Wynia
Girard	Lieder	Onnen	Seaberg	Spk. Vanasek
Greenfield	Limmer	Orenstein	Segal	
Gruenes	Long	Osthoff	Simoneau	

The motion prevailed and the resolution relating to employees was adopted.

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to the Committee on Rules and Legislative Administration:

Wynia, Chair; Anderson, G.; Carlson, L.; Jacobs; Long; Krueger; McLaughlin; Munger; Nelson, K.; Ogren; Reding; Rest; Rice; Rodosovich; Simoneau; Vanasek; Vellenga; Blatz; Himle; Knickerbocker; Schreiber; Stanius; Sviggum and Valento.

Wynia offered the following resolution and moved its adoption:

*Resolved*, That the selection of permanent desks shall be as directed by the Speaker as follows:

1. The majority caucus shall occupy section 3, seats 47, 50-51, 54-56, 59-62, and 65-68; section 4, seats 70-90 and 92-97; section 5, seats 98-119; and section 6, seats 120-135. All members of the majority caucus shall be seated in the manner prescribed by the majority caucus.

2. The minority caucus shall occupy section 1, seats 1-19; section 2, seats 20-41; and section 3, seats 42-46, 48, 52, 53, 57, 58, 63 and 64. All members of the minority caucus shall be seated in the manner prescribed by the minority caucus.

3. Section 3, seat 49, shall be reserved for the member elected from District 52A.

The motion prevailed and the resolution was adopted.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I have the honor to announce that the Senate has appointed a committee of five members of the Senate to notify the House of Representatives that the Senate of the State of Minnesota is now duly organized pursuant to law.

Mr. Brandl; Ms. Peterson, D. C.; Messrs. Mehrkens; Johnson, D. E., and DeCramer have been appointed to such committee on the part of the Senate.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I have the honor to announce that the Senate of the State of Minnesota is now duly organized pursuant to law with the election of the following officers:

Jerome M. Hughes, President

Patrick E. Flahaven, Secretary of the Senate

Janine Mattson, First Assistant Secretary of the Senate

Patrice Dworak, Second Assistant Secretary of the Senate

Catherine Morrison, Engrossing Secretary

Sven Lindquist, Sergeant at Arms

Ralph Graham, Assistant Sergeant at Arms

Reverend Philip J. Weiler, Chaplain

The Senate also adopted a resolution naming Roger D. Moe as Majority Leader and Duane Benson as Minority Leader.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the adoption by the Senate of the following Senate Concurrent Resolution, herewith transmitted:

Senate Concurrent Resolution No. 3, A senate concurrent resolution relating to adjournment for more than three days.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### SUSPENSION OF RULES

Wynia moved that the rules be so far suspended that Senate Concurrent Resolution No. 3 be now considered and be placed upon its adoption. The motion prevailed.

#### SENATE CONCURRENT RESOLUTION NO. 3

A senate concurrent resolution relating to adjournment for more than three days.

*Be It Resolved*, by the Senate of the State of Minnesota, the House of Representatives concurring:

1. Upon its adjournment on Wednesday, January 4, 1989, the Senate may set its next day of meeting for Monday, January 9, 1989.

2. Upon its adjournment on Wednesday, January 4, 1989, the House of Representatives may set its next day of meeting for Monday, January 9, 1989.

3. Pursuant to the Minnesota Constitution, Article IV, Section 12, the Senate and House of Representatives each consents to the adjournment of the other for more than three days.

Wynia moved that Senate Concurrent Resolution No. 3 be now adopted. The motion prevailed and Senate Concurrent Resolution No. 3 was adopted.

ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 5:30 p.m., Wednesday, January 4, 1989. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 5:30 p.m., Wednesday, January 4, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION—1989

## SECOND DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, JANUARY 4, 1989

The House of Representatives convened at 5:30 p.m. and was called to order by Robert E. Vanasek, Speaker of the House.

Prayer was offered by the Reverend Donald Wafler of the Cathedral of Our Merciful Savior, Faribault, Minnesota.

## ANNOUNCEMENTS BY THE SPEAKER

The Speaker announced that Representative Gordon O. Voss, District 52A, was administered the oath of office on Tuesday, January 3, 1989. His certificate of election and a signed and sworn statement of the oath are on file.

The Speaker announced that Representatives Terry M. Dempsey, District 23A and Sandra L. Pappas, District 65B, were administered the oath of office on Wednesday, January 4, 1989. Their certificates of election and signed and sworn statements of their oaths are on file.

The roll was called and the following members were present:

Abrams	Dauner	Janezich	Macklin	Omann
Anderson, G.	Dawkins	Jaros	Marsh	Onnen
Anderson, R.	Dempsey	Jefferson	McDonald	Orenstein
Battaglia	Dille	Jennings	McEachern	Osthoff
Bauerly	Dorn	Johnson, A.	McGuire	Ostrom
Beard	Forsythe	Johnson, R.	McLaughlin	Otis
Begich	Frederick	Johnson, V.	McPherson	Ozment
Bennett	Frerichs	Kahn	Milbert	Pappas
Bertram	Girard	Kalis	Miller	Pauly
Bishop	Greenfield	Kelly	Morrison	Pellow
Blatz	Gruenes	Kelso	Munger	Pelowski
Boo	Gutknecht	Kinkel	Murphy	Peterson
Brown	Hartle	Knickerbocker	Nelson, C.	Poppenhagen
Burger	Hasskamp	Kostohryz	Nelson, K.	Price
Carlson, D.	Haukoos	Krueger	Neuenschwander	Pugh
Carlson, L.	Heap	Lasley	O'Connor	Quinn
Carruthers	Henry	Lieder	Ogren	Redalen
Clark	Himle	Limmer	Olsen, S.	Reding
Conway	Hugoson	Long	Olson, E.	Rest
Cooper	Jacobs	Lynch	Olson, K.	Rice

Richter  
Rodosovich  
Rukavina  
Sarna  
Schafer  
Scheid  
Schreiber

Seaberg  
Segal  
Simoneau  
Skoglund  
Solberg  
Sparby  
Stanius

Steensma  
Sviggum  
Swenson  
Tjornhom  
Tompkins  
Trimble  
Tunheim

Uphus  
Valento  
Vellenga  
Wagenius  
Waltman  
Weaver  
Welle

Wenzel  
Williams  
Winter  
Wynia  
Spk. Vanasek

A quorum was present.

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

### INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Kelly, Carruthers, Janezich, McGuire and Brown introduced:

H. F. No. 1, A bill for an act relating to courts; reenacting the statutory provision authorizing six member juries in nonfelony cases; reenacting Minnesota Statutes 1988, section 593.01, subdivision 1.

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

O'Connor introduced:

H. F. No. 2, A bill for an act relating to public safety; requiring inspection of commercial movie theaters; establishing requirements for movie projectionists; appropriating money; amending Minnesota Statutes 1988, sections 299H.22, subdivision 1, and by adding a subdivision; 299H.23; and 299H.28, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 299H.

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

Wenzel introduced:

H. F. No. 3, A bill for an act relating to crimes; providing for life imprisonment without parole for persons convicted of premeditated murder or intentional homicide in the course of committing a drug offense; expanding the crime of first degree murder to include

drug-related homicides; eliminating juvenile court jurisdiction over minors 14 years old and older accused of murder or manslaughter; increasing penalties and imposing mandatory minimum sentences for certain violent crimes; prohibiting waiver of certain mandatory minimum sentences; amending Minnesota Statutes 1988, sections 152.15; 244.05, subdivision 4; 260.015, subdivision 5; 260.111, by adding a subdivision; 260.125, subdivision 3, and by adding a subdivision; 609.11, subdivision 7; 609.185; 609.19; 609.195; 609.20; 609.221; 609.223; 609.224, subdivision 2; 609.255, subdivision 3; 609.342, subdivision 2; 609.343, subdivision 2; 609.344, subdivision 2; 609.345, subdivision 2; and 609.377; repealing Minnesota Statutes 1988, section 609.11, subdivision 8.

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

Rest and Carlson, L., introduced:

H. F. No. 4, A bill for an act relating to taxation; sales and use; exempting tree removal services; amending Minnesota Statutes 1988, section 297A.25, by adding a subdivision.

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

Johnson, V., and Carlson, D., introduced:

H. F. No. 5, A bill for an act relating to game and fish; requiring nonresidents to possess a firearm safety certificate to hunt with firearms; amending Minnesota Statutes 1988, section 97B.015, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 97B.

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

Olsen, S., and Gruenes introduced:

H. F. No. 6, A bill for an act relating to taxation; income; providing a subtraction for payment of student loan principal and interest; amending Minnesota Statutes 1988, section 290.01, subdivision 19b.

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

Forsythe and Pauly introduced:

H. F. No. 7, A bill for an act relating to the city of Edina; authorizing the city to operate a public transit system and to acquire necessary equipment, land, and interests in land; permitting the establishment of a special service district in the city; providing taxing and other authority; providing that the city and the housing and redevelopment authority need not require competitive bidding and bonds in connection with certain redevelopment projects.

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

Begich and Rukavina introduced:

H. F. No. 8, A bill for an act relating to retirement; authorizing benefit increases for retired Eveleth police officers, firefighters, and surviving spouses.

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

O'Connor introduced:

H. F. No. 9, A bill for an act relating to the St. Paul police relief association and the St. Paul fire department relief association; providing for the inclusion of retired members on the boards of directors of the relief associations.

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

Osthoff; Simoneau; Anderson, G.; Bishop and Scheid introduced:

H. F. No. 10, A bill for an act relating to lotteries; authorizing the sale of lottery tickets; establishing a Minnesota state lottery and a lottery commission; providing for its powers and duties; establishing a program for compulsive gamblers; appropriating money; amending Minnesota Statutes 1988, sections 10A.01, subdivision 18; 15A.081, subdivision 1; 290.92, by adding a subdivision; 340A.410, subdivision 5; 541.20; 541.21; 609.75, subdivision 3; and 609.761; proposing coding for new law in Minnesota Statutes, chapters 245 and 297A; proposing coding for new law as Minnesota Statutes, chapter 240B.

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

O'Connor introduced:

H. F. No. 11, A bill for an act relating to retirement; requiring a majority vote of all members of the St. Paul police and fire department relief associations on consolidation with the public employees retirement association; amending Minnesota Statutes 1988, section 353A.02, subdivision 17.

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

Skoglund introduced:

H. F. No. 12, A bill for an act relating to consumer protection; regulating the sale of nonoriginal art; requiring labeling; prescribing penalties; proposing coding for new law in Minnesota Statutes, chapter 324.

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

Kelly, Bishop and Seaberg introduced:

H. F. No. 13, A bill for an act relating to courts; raising the jurisdictional limit on claims heard in conciliation court; amending Minnesota Statutes 1988, sections 487.30, subdivision 1; 488A.12, subdivision 3; 488A.14, subdivision 6; 488A.29, subdivision 3; and 488A.31, subdivision 6.

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

Kelly, Vellenga, Otis, Seaberg and Bishop introduced:

H. F. No. 14, A bill for an act relating to crimes; restitution; revising current procedures relating to the ordering and collection of restitution; amending Minnesota Statutes 1988, sections 260.185, subdivisions 1 and 3a; 609.135, subdivision 1a; 611A.04, subdivisions 1 and 2; and 611A.045.

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

Kelly introduced:

H. F. No. 15, A bill for an act relating to public safety; authorizing

fire department access to criminal history data; proposing coding for new law in Minnesota Statutes, chapter 299F.

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

Olsen, S.; Henry, Knickerbocker, Omann and Lynch introduced:

H. F. No. 16, A bill for an act relating to taxation; income; repealing the subtraction for elderly and disabled and reinstating the pension exclusion; amending Minnesota Statutes 1988, sections 290.01, subdivision 19b, and by adding a subdivision; and 290.032, subdivision 2; repealing Minnesota Statutes 1988, sections 290.0802 and 424A.10.

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

Olsen, S.; Henry and Abrams introduced:

H. F. No. 17, A bill for an act relating to taxation; property tax refund; changing the refund schedule and income limit; amending Minnesota Statutes 1988, section 290A.04, subdivision 2.

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

Kelly, Begich, Beard, Bishop and Trimble introduced:

H. F. No. 18, A bill for an act relating to labor; providing for conformity with federal minimum wage; amending Minnesota Statutes 1988, section 177.24, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Johnson, V., and Carlson, D., introduced:

H. F. No. 19, A bill for an act relating to transportation; providing for distribution of proceeds from the motor vehicle excise tax; amending Minnesota Statutes 1988, section 297B.09, subdivision 1.

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

Olsen, S., introduced:

H. F. No. 20, A bill for an act relating to crimes; criminal sexual conduct; imposing the penalty of life imprisonment without parole on persons convicted of a fourth criminal sexual conduct offense; increasing minimum sentences for other repeat sex offenders; permitting courts to stay execution of a portion of a repeat sex offender's sentence under certain circumstances; amending Minnesota Statutes 1988, sections 244.05, subdivisions 4 and 5; 609.342, subdivisions 2 and 3; 609.343, subdivisions 2 and 3; 609.344, subdivisions 2 and 3; 609.345, subdivisions 2 and 3; and 609.346.

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

Solberg and Neuenschwander introduced:

H. F. No. 21, A bill for an act relating to taxation; exempting an Itasca county levy from the penalty for levies in excess of limitations.

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

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I have the honor to announce that the Senate has appointed a committee of five members of the Senate to act with a like committee on the part of the House to escort the Governor to the Joint Convention to be held in the House Chamber, Wednesday, January 4, 1989, said Joint Convention to be convened at 6:15 p.m. and said message of the Governor to be delivered at 6:30 p.m.

Ms. Berglin, Messrs. Belanger, Larson, Kroening and Diessner have been appointed to such committee on the part of the Senate.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the adoption by the Senate of the following Senate Concurrent Resolution, herewith transmitted:

Senate Concurrent Resolution No. 1, A senate concurrent resolution relating to the adoption of temporary Joint Rules.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### SUSPENSION OF RULES

Wynia moved that the rules be so far suspended that Senate Concurrent Resolution No. 1 be now considered and be placed upon its adoption. The motion prevailed.

#### SENATE CONCURRENT RESOLUTION NO. 1

A Senate concurrent resolution relating to the adoption of temporary Joint Rules.

*Be It Resolved*, by the Senate of the State of Minnesota, the House of Representatives concurring:

The Joint Rules of the Senate and the House of Representatives for the 75th session are adopted as the temporary Joint Rules of the 76th session, to be effective until the adoption of Permanent Joint Rules by the Senate and the House of Representatives.

Wynia moved that Senate Concurrent Resolution No. 1 be now adopted. The motion prevailed and Senate Concurrent Resolution No. 1 was adopted.

Mr. Speaker:

I hereby announce the adoption by the Senate of the following Senate Concurrent Resolution, herewith transmitted:

Senate Concurrent Resolution No. 2, A senate concurrent resolution relating to parking space on the Capitol grounds, Capitol Approach and Aurora Avenue for members of the Legislature and staff.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### SUSPENSION OF RULES

Wynia moved that the rules be so far suspended that Senate Concurrent Resolution No. 2 be now considered and be placed upon its adoption. The motion prevailed.

## SENATE CONCURRENT RESOLUTION NO. 2

A Senate concurrent resolution relating to parking space on the Capitol grounds, Capitol Approach and Aurora Avenue for members of the Legislature and staff.

*Be It Resolved*, by the Senate of the State of Minnesota, the House of Representatives concurring:

The custodian of the Capitol shall reserve all parking space necessary on the Capitol grounds, Capitol Approach and Aurora Avenue for the use of the members and staff of the Legislature for the 76th session of the Legislature, allowing reasonable space for parking to the general public having business at the Capitol. The Committee on Rules and Administration of the Senate and the Committee on Rules and Legislative Administration of the House of Representatives may designate necessary personnel to assist the custodian of the Capitol in this matter.

The Secretary of the Senate and the Chief Clerk of the House of Representatives may deduct from the check of any legislator or legislative employee in each year of the 76th session of the Legislature a sum adequate to cover the exercise of the parking privilege defined in this resolution in conformity with the practice of the Department of Administration.

Wynia moved that Senate Concurrent Resolution No. 2 be now adopted. The motion prevailed and Senate Concurrent Resolution No. 2 was adopted.

## ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the following House committee assignments and the committee meeting schedule for the 1989-90 session:

## AGRICULTURE —

Mondays, 10:00 A.M., Room 5

Wenzel, Chair  
Bauerly  
Bertram  
Brown  
Cooper  
Dauner  
Kahn  
Kalis  
Krueger  
Nelson, C.  
Olson, E.

Dille  
Frederick  
Girard  
Hugoson  
McDonald  
McPherson  
Omann  
Redalen  
Richter  
Uphus

Olson, K.  
Sparby  
Steensma  
Winter

APPROPRIATIONS—

Mondays through Thursdays, 8:00 A.M., Room 200

Anderson, G., Chair  
Battaglia  
Carlson, L.  
Clark  
Dorn  
Greenfield  
Jaros  
Jennings  
Kahn  
Kalis  
Krueger  
Lieder  
Munger  
Murphy  
Orenstein  
Osthoff  
Pappas  
Peterson  
Price  
Pugh  
Rice  
Rodosovich  
Sarna  
Segal  
Solberg  
Sparby  
Steensma

Abrams  
Anderson, R.  
Bishop  
Carlson, D.  
Forsythe  
Frerichs  
Gruenes  
Heap  
Johnson, V.  
Miller  
Morrison  
Poppenhagen  
Seaberg

Agriculture, Transportation and Semi-State Division/  
Appropriations

Mondays through Thursdays, 8:00 A.M., Room 400S

Rice, Chair  
Anderson, G.  
Kalis  
Lieder  
Pappas  
Sarna  
Steensma

Frerichs  
Johnson, V.  
Seaberg

Education Division/Appropriations

Mondays through Thursdays, 8:00 A.M., Room 300N

Carlson, L., Chair  
 Anderson, G.  
 Dorn  
 Jaros  
 Munger  
 Orenstein  
 Price  
 Pugh

Heap  
 Morrison  
 Poppenhagen  
 Stanius

Health and Human Services Division/

Appropriations

Mondays through Thursdays, 8:00 A.M., Room 200

Greenfield, Chair  
 Anderson, G.  
 Clark  
 Jennings  
 Murphy  
 Rodosovich  
 Segal

Anderson, R.  
 Forsythe  
 Gruenes

State Departments Division/Appropriations

Mondays through Thursdays, 8:00 A.M., Room 300S

Kahn, Chair  
 Anderson, G.  
 Battaglia  
 Krueger  
 Osthoff  
 Peterson  
 Solberg  
 Sparby

Abrams  
 Bishop  
 Carlson, D.  
 Miller

COMMERCE—

Tuesdays and Thursdays, 10:00 A.M., Basement

Sarna, Chair  
 Beard  
 Janezich  
 Jaros  
 Kinkel  
 McEachern  
 Milbert  
 Murphy  
 O'Connor  
 Pelowski  
 Scheid  
 Solberg

Anderson, R.  
 Bennett  
 Bishop  
 Forsythe  
 Frederick  
 Heap  
 Pellow  
 Richter

## ECONOMIC DEVELOPMENT—

Tuesdays and Thursdays, 12:30 P.M., Room 5

Otis, Chair	Burger
Anderson, G.	Dille
Carlson, L.	Frerichs
Clark	Girard
Cooper	Heap
Jaros	Himle
Kahn	Hugoson
Lasley	Marsh
McLaughlin	Miller
Murphy	Pellow
Nelson, C.	Poppenhagen
Neuenschwander	Schafer
Olson, K.	Tjornhom
Pelowski	Uphus
Peterson	
Reding	
Rodosovich	
Rukavina	
Segal	
Sparby	
Williams	
Winter	

Community Stabilization and Development Division/  
Economic Development  
Thursdays, 12:30 P.M., Room 300S

Clark, Chair	Burger
McLaughlin	Ozment
Nelson, C.	Pellow
Otis	Uphus
Segal	
Sparby	
Williams	
Winter	

International Trade and Technology Division/  
Economic Development  
Thursdays, 12:30 P.M., Room 400S

Reding, Chair	Frerichs
Anderson, G.	Heap
Carlson, L.	Hugoson
Jaros	Miller
Kahn	Tjornhom
Otis	

Pelowski  
Rodosovich

Rural Resource Development Division/  
Economic Development  
Thursdays, 12:30 P.M., Room 300N

Murphy, Chair	Dille
Cooper	Girard
Lasley	Himle
Neuenschwander	Marsh
Olson, K.	Poppenhagen
Otis	
Peterson	
Rukavina	

EDUCATION—

Mondays and Wednesdays, 8:00 A.M., Room 5

McEachern, Chair	Frederick
Bauerly	Girard
Beard	Hartle
Hasskamp	Hugoson
Jaros	McDonald
Johnson, A.	McPherson
Kelso	Omann
Kinkel	Ozment
McGuire	Pellow
Nelson, C.	Richter
Nelson, K.	Schafer
Olson, K.	Swenson
Ostrom	Waltman
Otis	Weaver
Pelowski	
Rest	
Scheid	
Trimble	
Tunheim	
Vellenga	
Wagenius	
Wenzel	

Education Finance Division/  
Education  
Mondays, 12:30 P.M., Room 300N  
Wednesdays, 2:30 P.M., Room 300N  
Fridays, 10:00 A.M., Room 300N

Nelson, K., Chair	Hartle
Bauerly	Hugoson

Kelso  
McEachern  
Ostrom  
Otis  
Rest  
Scheid  
Tunheim  
Vellenga

Ozment  
Schafer  
Weaver

Higher Education Division/  
Education  
Wednesdays, 10:00 A.M., Room 500N

Jaros, Chair  
Beard  
Hasskamp  
Johnson, A.  
Kinkel  
McGuire  
Nelson, C.  
Olson, K.  
Pelowski  
Trimble  
Wenzel

Frederick  
Girard  
McDonald  
McPherson  
Omann  
Pellow  
Richter  
Waltman

ENVIRONMENT AND NATURAL RESOURCES—  
Tuesdays and Thursdays, 10:00 A.M., Room 10

Munger, Chair  
Battaglia  
Begich  
Jennings  
Johnson, A.  
Johnson, R.  
Kahn  
Long  
McGuire  
Neuenschwander  
Price  
Pugh  
Reding  
Rukavina  
Simoneau  
Skoglund  
Trimble  
Wagenius  
Winter

Carlson, D.  
Himle  
Johnson, V.  
Lynch  
Marsh  
McPherson  
Ozment  
Pauly  
Redalen  
Schafer  
Waltman  
Weaver

FINANCIAL INSTITUTIONS AND HOUSING—  
Wednesdays, 10:00 A.M., Room 5

Osthoff, Chair  
 Bertram  
 Carlson, L.  
 Clark  
 Conway  
 Dawkins  
 Jacobs  
 Jefferson  
 Neuenschwander  
 O'Connor  
 Otis  
 Quinn  
 Rodosovich  
 Sparby

Abrams  
 Boo  
 Frerichs  
 Henry  
 Knickerbocker  
 Lynch  
 Morrison  
 Olsen, S.  
 Poppenhagen  
 Tjornhom

Housing Division/  
 Financial Institutions and Housing  
 Mondays, 12:30 P.M., Room 500N

O'Connor, Chair  
 Bertram  
 Clark  
 Conway  
 Dawkins  
 Jefferson  
 Osthoff  
 Sparby

Boo  
 Frerichs  
 Morrison  
 Olsen, S.  
 Tjornhom

GENERAL LEGISLATION, VETERANS AFFAIRS AND GAMING—  
 Tuesdays, 12:30 P.M., Room 500S

Kostohryz, Chair  
 Bertram  
 Kinkel  
 Milbert  
 Osthoff  
 Ostrom  
 Price  
 Quinn  
 Scheid  
 Solberg  
 Steensma

Abrams  
 Bennett  
 Boo  
 Frederick  
 Gutknecht  
 Knickerbocker  
 McDonald  
 Sviggum

Elections Division/  
 General Legislation, Veterans Affairs and Gaming  
 Thursdays, 12:30 P.M., Room 500N

Scheid, Chair  
 Kostohryz  
 Osthoff

Abrams  
 Boo  
 Knickerbocker

Ostrom  
Solberg  
Steensma

Sviggum

Gaming Division/General Legislation,  
Veterans Affairs and Gaming  
Thursdays, 12:30 P.M., Room 500S

Quinn, Chair  
Bertram  
Kinkel  
Kostohryz  
Milbert  
Price  
Solberg

Bennett  
Frederick  
Gutknecht  
McDonald

GOVERNMENTAL OPERATIONS—

Mondays through Thursdays, 8:00 A.M., Room 10

Simoneau, Chair  
Bertram  
Conway  
Cooper  
Dawkins  
Jefferson  
Johnson, R.  
Lasley  
O'Connor  
Reding  
Rukavina  
Williams  
Winter

Burger  
Dille  
Haukoos  
Henry  
Knickerbocker  
Limmer  
Lynch  
Macklin  
Tjornhom  
Tompkins

HEALTH AND HUMAN SERVICES—

Tuesdays and Thursdays, 10:00 A.M., Room 5

Ogren, Chair  
Cooper  
Dauner  
Dorn  
Greenfield  
Hasskamp  
Jefferson  
Kelso  
McLaughlin  
Nelson, C.  
Orenstein  
Ostrom  
Segal  
Vellenga

Boo  
Gruenes  
Gutknecht  
Henry  
Macklin  
Omann  
Onnen  
Sviggum  
Swenson  
Tompkins

Welle  
Williams

## INSURANCE—

Wednesdays, 12:30 P.M., Room 5

Skoglund, Chair  
Carruthers  
Johnson, R.  
Kelly  
Kinkel  
Pappas  
Peterson  
Pugh  
Reding  
Wenzel  
Williams  
Winter  
Wynia

Blatz  
Burger  
Hartle  
Haukoos  
Knickerbocker  
Onnen  
Poppenhagen  
Stanisus

## JUDICIARY—

Mondays, 10:00 A.M., Basement

Fridays, 12:30 P.M., Basement

Kelly, Chair  
Brown  
Carruthers  
Conway  
Greenfield  
Hasskamp  
Janezich  
Milbert  
Orenstein  
Pappas  
Peterson  
Pugh  
Rest  
Vellenga  
Wagenius

Bishop  
Blatz  
Dempsey  
Forsythe  
Limmer  
Macklin  
Marsh  
Miller  
Seaberg  
Swenson

## Criminal Justice Division/

Judiciary

Wednesdays, 10:00 A.M., Room 500S

Vellenga, Chair  
Brown  
Carruthers  
Greenfield  
Hasskamp  
Kelly

Bishop  
Blatz  
Dempsey  
Marsh  
Seaberg  
Swenson

Orenstein  
Pappas  
Rest  
Wagenius

LABOR-MANAGEMENT RELATIONS—  
Mondays, 12:30 P.M., Room 200

Begich, Chair  
Battaglia  
Beard  
Jennings  
Johnson, A.  
Kelly  
Rice  
Rukavina  
Sarna  
Trimble  
Wenzel

Abrams  
Dille  
Girard  
Limmer  
McPherson  
Redalen  
Sviggum

LOCAL GOVERNMENT AND METROPOLITAN AFFAIRS—  
Tuesdays and Thursdays, 12:30 P.M., Room 200

Battaglia, Chair  
Bauerly  
Carruthers  
Dawkins  
Dorn  
Hasskamp  
Janezich  
Jefferson  
Lieder  
McGuire  
Rice  
Sarna  
Simoneau  
Trimble

Anderson, R.  
Haukoos  
Johnson, V.  
Morrison  
Olsen, S.  
Onnen  
Pauly  
Tompkins  
Valento  
Weaver

REGULATED INDUSTRIES—  
Mondays, 10:00 A.M., Room 10

Jacobs, Chair  
Beard  
Dawkins  
Jefferson  
Jennings  
O'Connor  
Ogren  
Olson, E.  
Osthoff

Bennett  
Boo  
Gruenes  
Hartle  
Haukoos  
Ozment  
Stanisus

Quinn  
Solberg  
Tunheim

RULES AND LEGISLATIVE ADMINISTRATION—  
Call of the Chair, Room 400N

Wynia, Chair	Blatz
Anderson, G.	Himle
Carlson, L.	Knickerbocker
Jacobs	Schreiber
Krueger	Stanisus
Long	Sviggum
McLaughlin	Valento
Munger	
Nelson, K.	
Ogren	
Reding	
Rest	
Rice	
Rodosovich	
Simoneau	
Vanasek	
Vellenga	

TAXES—

Tuesdays, Thursdays and Fridays, 8:00 A.M., Room 5

Long, Chair	Bennett
Begich	Blatz
Brown	Dempsey
Carruthers	Gutknecht
Dauner	Himle
Jacobs	Olsen, S.
Janezich	Onnen
Kelly	Pauly
Kostohryz	Redalen
McLaughlin	Schreiber
Milbert	Sviggum
Nelson, K.	Uphus
Neuenschwander	Valento
Ogren	
Olson, E.	
Quinn	
Rest	
Scheid	
Skoglund	
Vanasek	
Welle	
Wynia	

## TRANSPORTATION—

Wednesdays, 12:30 P.M., Room 10

Kalis, Chair	Carlson, D.
Begich	Dempsey
Dauner	Henry
Johnson, A.	McDonald
Kelso	Morrison
Lasley	Pellow
Lieder	Richter
McEachern	Seaberg
McLaughlin	Uphus
Olson, E.	Valento
Olson, K.	Waltman
Orenstein	
Steensma	
Tunheim	
Vellenga	
Wagenius	
Welle	

## WAYS AND MEANS—

Call of the Chair, Room 400N

Vanasek, Chair	Carlson, D.
Anderson, G.	Dempsey
Carlson, L.	Forsythe
Greenfield	Gruenes
Kahn	Schreiber
Kostohryz	
Long	
McEachern	
Nelson, K.	
Rice	
Welle	
Wynia	

## ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the following schedule of committee meetings for the 1989-90 regular session:

## 1989-90 HOUSE COMMITTEE SCHEDULE

<i>Committee</i>	<i>Meeting Room</i>	<i>Hour</i>
MONDAY		
Appropriations	200	8:00- 9:45 a.m.

Appropriations (Agriculture, Transportation and Semi-State Division)	400S	8:00- 9:45 a.m.
Appropriations (Education Division)	300N	8:00- 9:45 a.m.
Appropriations (Health and Human Services Division)	200	8:00- 9:45 a.m.
Appropriations (State Departments Division)	300S	8:00- 9:45 a.m.
Governmental Operations	10	8:00- 9:45 a.m.
Education	5	8:00- 9:45 a.m.
Agriculture	5	10:00-11:45 a.m.
Regulated Industries	10	10:00-11:45 a.m.
Judiciary	Bsmt.	10:00-11:45 a.m.
Education (Education Finance Division)	300N	12:30- 2:15 p.m.
Labor-Management Relations	200	12:30- 2:15 p.m.
Financial Institutions and Housing (Housing Division)	500N	12:30- 2:15 p.m.

## TUESDAY

Appropriations	200	8:00- 9:45 a.m.
Appropriations (Agriculture, Transportation and Semi-States Division)	400S	8:00- 9:45 a.m.
Appropriations (Education Division)	300N	8:00- 9:45 a.m.
Appropriations (Health and Human Services Division)	200	8:00- 9:45 a.m.
Appropriations (State Departments Division)	300S	8:00- 9:45 a.m.
Governmental Operations	10	8:00- 9:45 a.m.
Taxes	5	8:00- 9:45 a.m.
Commerce	Bsmt.	10:00-11:45 a.m.

Environment and Natural Resources	10	10:00-11:45 a.m.
Health and Human Services	5	10:00-11:45 a.m.
General Legislation, Veterans Affairs and Gaming	500S	12:30- 2:15 p.m.
Local Government and Metropolitan Affairs	200	12:30- 2:15 p.m.
Economic Development	5	12:30- 2:15 p.m.

## WEDNESDAY

Appropriations	200	8:00- 9:45 a.m.
Appropriations (Agriculture, Transportation and Semi-State Division)	400S	8:00- 9:45 a.m.
Appropriations (Education Division)	300N	8:00- 9:45 a.m.
Appropriations (Health and Human Services Division)	200	8:00- 9:45 a.m.
Appropriations (State Departments Division)	300S	8:00- 9:45 a.m.
Governmental Operations	10	8:00- 9:45 a.m.
Education	5	8:00- 9:45 a.m.
Education (Higher Education Division)	500N	10:00-11:45 a.m.
Judiciary (Criminal Justice Division)	500S	10:00-11:45 a.m.
Financial Institutions and Housing	5	10:00-11:45 a.m.
Transportation	10	12:30- 2:15 p.m.
Insurance	5	12:30- 2:15 p.m.
Education (Education Finance Division)	300N	2:30- 4:30 p.m.

## THURSDAY

Appropriations	200	8:00- 9:45 a.m.
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Appropriations (Agriculture, Transportation and Semi-States Division)	400S	8:00- 9:45 a.m.
Appropriations (Education Division)	300N	8:00- 9:45 a.m.
Appropriations (Health and Human Services Division)	200	8:00- 9:45 a.m.
Appropriations (State Departments Division)	300S	8:00- 9:45 a.m.
Governmental Operations	10	8:00- 9:45 a.m.
Taxes	5	8:00- 9:45 a.m.
Commerce	Bsmt.	10:00-11:45 a.m.
Environment and Natural Resources	10	10:00-11:45 a.m.
Health and Human Services	5	10:00-11:45 a.m.
Local Government and Metropolitan Affairs	200	12:30- 2:15 p.m.
Economic Development	5	12:30- 2:15 p.m.
Economic Development (Community Stabilization and Development Division)	300S	12:30- 2:15 p.m.
Economic Development (International Trade and Technology Division)	400S	12:30- 2:15 p.m.
Economic Development (Rural Resource Development Division)	300N	12:30- 2:15 p.m.
General Legislation, Veterans Affairs and Gaming (Elections Division)	500N	12:30- 2:15 p.m.
General Legislation, Veterans Affairs and Gaming (Gaming Division)	500S	12:30- 2:15 p.m.

## FRIDAY

Taxes	5	8:00- 9:45 a.m.
Education (Education Finance Division)	300N	10:00-11:45 a.m.
Judiciary	Bsmt.	12:30- 2:15 p.m.

Wynia moved that the House recess subject to the call of the Chair for the purpose of meeting with the Senate in Joint Convention to hear the address by the Governor. The motion prevailed.

## RECESS

## RECONVENED

The Speaker called the House to order at 6:15 p.m.

Wynia moved that when the House adjourns today it adjourn until 2:30 p.m., Monday, January 9, 1989. The motion prevailed.

The Sergeant at Arms announced the arrival of the members of the Senate, and they were escorted to the seats reserved for them at the front of the Chamber.

## JOINT CONVENTION

The Speaker of the House as President of the Joint Convention called the Joint Convention to order.

Prayer was offered by the Reverend Donald Wafler of the Cathedral of Our Merciful Savior, Faribault, Minnesota.

The roll being called the following Senators answered to their names: Adkins, Anderson and Beckman.

Senator Moe, R. D., moved that further proceedings of the roll call be dispensed with. The motion prevailed and a quorum was declared present.

The Sergeant at Arms announced the arrival of the Constitutional Officers of the State of Minnesota: Joan Anderson Growe, Secretary of State; Arne H. Carlson, State Auditor; Michael A. McGrath, State Treasurer and Hubert H. Humphrey III, Attorney General. The Constitutional Officers were escorted to the seats reserved for them.

The Sergeant at Arms announced the arrival of the Honorable Douglas K. Amdahl, Chief Justice of the Supreme Court, and the Associate Justices of the Supreme Court. They were escorted to the seats reserved for them near the rostrum.

The Sergeant at Arms announced the arrival of the Honorable D. D. Wozniak, Chief Judge of the Court of Appeals, and the Associate

Judges of the Court of Appeals. They were escorted to the seats reserved for them near the rostrum.

The Sergeant at Arms announced the arrival of former Governors Harold E. Stassen, C. Elmer Anderson, Elmer L. Andersen, Harold LeVander and Wendell R. Anderson. The distinguished guests were escorted to the seats reserved for them.

The Sergeant at Arms announced the arrival of the Honorable Marlene Johnson, Lieutenant Governor. The Lieutenant Governor was escorted to the seat reserved for her at the rostrum.

The Sergeant at Arms announced the arrival of the Honorable Rudy Perpich, Governor of the State of Minnesota and his official party. The Governor was escorted to the rostrum by the appointed committees.

#### ADDRESS BY THE GOVERNOR

Governor Rudy Perpich was presented by the President of the Joint Convention, the Honorable Robert E. Vanasek, and the Governor delivered his "State of the State Address" to the members of the Joint Convention and their guests.

Following the address, Senator Moe, R. D., moved that the Joint Convention arise. The motion prevailed and the President declared the Joint Convention adjourned.

#### RECONVENED

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

#### ADJOURNMENT

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Monday, January 9, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION—1989

## THIRD DAY

SAINT PAUL, MINNESOTA, MONDAY, JANUARY 9, 1989

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

Prayer was offered by Monsignor James D. Habiger, from the Minnesota Catholic Conference, St. Paul, Minnesota.

## ANNOUNCEMENT BY THE SPEAKER

The Speaker announced that Gordon O. Voss in a letter addressed to the Governor resigned as State Representative from District 52A effective January 4, 1989.

The roll was called and the following members were present:

Abrams	Frederick	Kostohryz	Omann	Seaberg
Anderson, G.	Frerichs	Krueger	Onnen	Segal
Anderson, R.	Girard	Lasley	Orenstein	Simoneau
Battaglia	Gruenes	Lieder	Osthoff	Skoglund
Bauerly	Gutknecht	Limmer	Ostrom	Solberg
Beard	Hartle	Lynch	Otis	Sparby
Begich	Hasskamp	Macklin	Ozment	Stanius
Bennett	Haukoos	Marsh	Pappas	Steensma
Bertram	Heap	McDonald	Pauly	Sviggum
Bishop	Henry	McEachern	Pellow	Swenson
Blatz	Himle	McGuire	Pelowski	Tjornhom
Boo	Hugoson	McLaughlin	Peterson	Tompkins
Brown	Jacobs	McPherson	Poppenhagen	Trimble
Burger	Janezich	Milbert	Price	Uphus
Carlson, D.	Jaros	Miller	Pugh	Valento
Carlson, L.	Jefferson	Morrison	Quinn	Vellenga
Carruthers	Jennings	Munger	Redalen	Wagenius
Clark	Johnson, A.	Murphy	Reding	Waltman
Conway	Johnson, R.	Nelson, C.	Rest	Weaver
Cooper	Johnson, V.	Nelson, K.	Rice	Welle
Dauner	Kahn	Neuenschwander	Richter	Wenzel
Dawkins	Kalis	O'Connor	Rodosovich	Williams
Dempsey	Kelly	Ogren	Rukavina	Winter
Dille	Kelso	Olsen, S.	Sarna	Wynia
Dorn	Kinkel	Olson, E.	Schafer	Spk. Vanasek
Forsythe	Knickerbocker	Olson, K.	Schreiber	

A quorum was present.

Greenfield, Long, Scheid and Tunheim were excused.

The Chief Clerk proceeded to read the Journal of the preceding

day. Price 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.

The Speaker announced that the next order of business was the election of a House Chaplain.

#### ELECTION OF OFFICER

The name of Monsignor James D. Habiger was placed in nomination for House Chaplain by McLaughlin.

There being no further nominations, the Speaker declared the nominations closed.

The roll was called on the election of the House Chaplain and the following voted for the nominee:

Abrams	Frerichs	Kostohryz	Olson, K.	Seaberg
Anderson, G.	Girard	Krueger	Omann	Segal
Battaglia	Gruenes	Lasley	Onnen	Simoneau
Bauerly	Gutknecht	Lieder	Orenstein	Skoglund
Beard	Hartle	Limmer	Osthoff	Solberg
Begich	Hasskamp	Lynch	Ostrom	Sparby
Bennett	Haukoos	Macklin	Otis	Stanius
Bertram	Heap	Marsh	Ozment	Steensma
Blatz	Henry	McDonald	Pappas	Sviggum
Boo	Himle	McEachern	Pauly	Swenson
Brown	Hugoson	McGuire	Pellow	Tjornhom
Burger	Jacobs	McLaughlin	Pelowski	Tompkins
Carlson, D.	Janezich	McPherson	Peterson	Trimble
Carlson, L.	Jaros	Milbert	Poppenhagen	Uphus
Carruthers	Jefferson	Miller	Price	Valento
Clark	Jennings	Morrison	Pugh	Vellenga
Conway	Johnson, A.	Munger	Quinn	Wagenius
Cooper	Johnson, R.	Murphy	Redalen	Waltman
Dauner	Johnson, V.	Nelson, C.	Reding	Weaver
Dawkins	Kahn	Nelson, K.	Rest	Welle
Dempsey	Kalis	Neuenschwander	Richter	Wenzel
Dille	Kelly	O'Connor	Rodosovich	Williams
Dorn	Kelso	Ogren	Rukavina	Winter
Forsythe	Kinkel	Olsen, S.	Schafer	Wynia
Frederick	Knickerbocker	Olson, E.	Schreiber	Spk. Vanasek

The nominee, having received a majority of the votes cast, was declared duly elected House Chaplain.

#### OATH OF OFFICE

The oath of office was administered to the House Chaplain-elect by the Speaker.

#### INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Kelly, Pappas, Greenfield and Orenstein introduced:

H. F. No. 22, A bill for an act relating to crimes; prohibiting unauthorized access to computers; imposing penalties; amending Minnesota Statutes 1988, sections 609.531, subdivision 1; and 609.87, subdivision 1, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 609.

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

Johnson, V., introduced:

H. F. No. 23, A bill for an act relating to veterans affairs; appropriating money for grave markers.

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

Bertram, Gruenes, Cooper and Welle introduced:

H. F. No. 24, A bill for an act relating to the town of St. Augusta; authorizing the establishment of a detached banking facility under certain conditions.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Johnson, V., introduced:

H. F. No. 25, A bill for an act relating to transportation; increasing amount authorized for state transportation bonds for bridges; amending Laws 1979, chapter 280, sections 1 and 2, as amended.

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

Ommen, Skoglund, Haukoos and Kinkel introduced:

H. F. No. 26, A bill for an act relating to insurance; requiring obligors to notify the commissioner of public safety upon lapse, cancellation, or failure to renew; amending Minnesota Statutes 1988, section 65B.69.

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

Vellenga, Williams, Pugh and Bertram introduced:

H. F. No. 27, A bill for an act relating to crimes; expanding the definition of "bodily harm" in the crime of third degree assault of an unborn child to include premature birth; amending Minnesota Statutes 1988, section 609.2672.

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

Bishop, Brown, Orenstein, Anderson, G., and Ogren introduced:

H. F. No. 28, A bill for an act relating to probate; providing for adult health care decisions; imposing penalties; proposing coding for new law as Minnesota Statutes, chapter 145B.

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

Rest introduced:

H. F. No. 29, A bill for an act relating to examiners of title; increasing number of deputy examiners of title in fourth judicial district; amending Minnesota Statutes 1988, section 508.12, subdivision 3.

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

Carruthers, Trimble, Orenstein, Begich and Bishop introduced:

H. F. No. 30, A bill for an act relating to employment; requiring breaks during the work day; amending Minnesota Statutes 1988, sections 177.32, subdivision 1; and 177.33; proposing coding for new law in Minnesota Statutes, chapter 177.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Marsh, Munger, Winter and Stanius introduced:

H. F. No. 31, A bill for an act relating to natural resources; prohibiting drainage of certain wetlands; amending Minnesota Statutes 1988, section 105.391, subdivision 3.

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

Pelowski; Kostohryz; Johnson, V.; Wenzel and Dorn introduced:

H. F. No. 32, A bill for an act relating to taxation; motor vehicle excise; exempting purchase or use of a motor vehicle by a political subdivision or a veteran's organization for certain purposes; amending Minnesota Statutes 1988, section 297B.03.

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

Lieder, Battaglia, Tunheim, Uphus and Johnson, V., introduced:

H. F. No. 33, A bill for an act relating to town roads; permitting town ordinances to regulate the burning of vegetation; amending Minnesota Statutes 1988, section 164.02, subdivision 1.

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

## MOTIONS AND RESOLUTIONS

Wynia, Vanasek and Schreiber introduced:

House Resolution No. 1, A house resolution congratulating Hazel C. Johnson, of Excelsior, for 46 years of dedicated and effective service for the House of Representatives.

### SUSPENSION OF RULES

Wynia moved that the rules be so far suspended that House Resolution No. 1 be now considered and be placed upon its adoption. The motion prevailed.

### HOUSE RESOLUTION NO. 1

A house resolution congratulating Hazel C. Johnson, of Excelsior, for 46 years of dedicated and effective service for the House of Representatives.

*Whereas*, in 1943, sponsored by Representative Telford V. Oraas, Hazel C. Johnson served as the first woman page of the House of Representatives; and

*Whereas*, becoming a legislative employee, her first duties entailed a variety of responsibilities in the Chief Clerk's office; and

*Whereas*, during her 46 years of service with the House of Representatives, Hazel has held the positions of Page, File Clerk, Assistant Desk Clerk, and has been Desk Clerk since 1967; and

*Whereas*, now retiring as Desk Clerk of the House Chambers, she has had the crucial job of processing the paperwork of House floor sessions; and

*Whereas*, Hazel's quiet dedication to duty and her pleasing personality have earned her the professional and personal respect of those associated with her; and

*Whereas*, Edward A. Burdick, Chief Clerk, commends Hazel as a loyal and dedicated worker who has put in long hours without complaint; and

*Whereas*, Hazel is admired, respected, and loved by staff and members of the House of Representatives; and

*Whereas*, originally from Hazel Run, a town in western Minnesota near Granite Falls, she sometimes was called "Hazel from Hazel Run"; and

*Whereas*, Hazel and her husband, Arnold Johnson, have three children and eight grandchildren; and

*Whereas*, Hazel is an avid football fan and rarely misses a Viking or Gopher home game unless, of course, the House is in session; and

*Whereas*, although Hazel will be missed by all, she is wished a happy and long retirement; *Now, Therefore*,

*Be It Resolved* by the House of Representatives of the State of Minnesota that it congratulates Hazel C. Johnson, of Excelsior, for 46 years of dedicated and effective service for the House of Representatives.

*Be It Further Resolved* that the Chief Clerk of the House of Representatives is directed to prepare an enrolled copy of this resolution, to be authenticated by his signature and that of the Speaker, the Majority Leader, and the Minority Leader, and that it be presented to Hazel C. Johnson.

Wynia moved that House Resolution No. 1 be now adopted. The motion prevailed and House Resolution No. 1 was adopted.

Wynia introduced:

House Concurrent Resolution No. 1, A house concurrent resolution relating to adjournment for more than three days.

## SUSPENSION OF RULES

Wynia moved that the rules be so far suspended that House Concurrent Resolution No. 1 be now considered and be placed upon its adoption. The motion prevailed.

## HOUSE CONCURRENT RESOLUTION NO. 1

A house concurrent resolution relating to adjournment for more than three days.

*Be It Resolved* by the House of Representatives, the Senate concurring:

(1) Upon their adjournments on January 12, 1989, the Senate and House of Representatives may each set its next day of meeting for January 19, 1989.

(2) By the adoption of this resolution, each house consents to adjournment of the other house for more than three days.

Wynia moved that House Concurrent Resolution No. 1 be now adopted. The motion prevailed and House Concurrent Resolution No. 1 was adopted.

## ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the following changes in committee assignments:

**Appropriations:** Add the name of Stanius.

**Appropriations/Education Division:** Remove the names of Pugh and Stanius.

**Appropriations/Health and Human Services Division:** Add the names of Pugh and Stanius.

**Economic Development/Community Stabilization and Development Division:** Add the name of Schafer and remove the name of Ozment.

**General Legislation, Veterans Affairs and Gaming:** Add the name of McEachern.

**General Legislation, Veterans Affairs and Gaming/Elections Division:** Add the name of McEachern and remove the name of Solberg.

**Transportation: Add the name of Brown and remove the name of McEachern.**

**ADJOURNMENT**

**Wynia moved that when the House adjourns today it adjourn until 2:30 p.m., Thursday, January 12, 1989. The motion prevailed.**

**Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Thursday, January 12, 1989.**

**EDWARD A. BURDICK, Chief Clerk, House of Representatives**

## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION—1989

## FOURTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, JANUARY 12, 1989

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

Prayer was offered by Father Fred Mertz of the Assumption Catholic Church, St. Paul, Minnesota.

The roll was called and the following members were present:

Abrams	Frederick	Krueger	Onnen	Seaberg
Anderson, G.	Frerichs	Lasley	Orenstein	Segal
Anderson, R.	Girard	Lieder	Osthoff	Simoneau
Battaglia	Gruenes	Limmer	Ostrom	Skoglund
Bauerly	Gutknecht	Long	Otis	Solberg
Beard	Hartle	Lynch	Ozment	Sparby
Begich	Hasskamp	Macklin	Pappas	Stanius
Bennett	Haukoos	Marsh	Pauly	Steensma
Bertram	Heap	McDonald	Pellow	Sviggum
Bishop	Henry	McEachern	Pelowski	Swenson
Blatz	Himle	McGuire	Peterson	Tjornhom
Boo	Hugoson	McLaughlin	Poppenhagen	Tompkins
Brown	Jacobs	McPherson	Price	Trimble
Burger	Janezich	Milbert	Pugh	Uphus
Carlson, D.	Jaros	Miller	Quinn	Valento
Carlson, L.	Jefferson	Morrison	Redalen	Vellenga
Carruthers	Jennings	Munger	Reding	Wagenius
Clark	Johnson, A.	Murphy	Rest	Waltman
Conway	Johnson, V.	Nelson, C.	Rice	Weaver
Cooper	Kahn	Nelson, K.	Richter	Welle
Dauner	Kalis	O'Connor	Rodosovich	Wenzel
Dawkins	Kelly	Ogren	Rukavina	Williams
Dempsey	Kelso	Olsen, S.	Sarna	Winter
Dille	Kinkel	Olson, E.	Schafer	Wynia
Dorn	Knickerbocker	Olson, K.	Scheid	Spk. Vanasek
Forsythe	Kostohryz	Omann	Schreiber	

A quorum was present.

Greenfield; Johnson, R.; Neuenschwander and Tunheim were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Vellenga moved that further reading of the Journal be dis-

pensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

## REPORTS OF STANDING COMMITTEES

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1, A bill for an act relating to courts; reenacting the statutory provision authorizing six member juries in nonfelony cases; reenacting Minnesota Statutes 1988, section 593.01, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 11, before the period insert "and applies to crimes committed on or after that date"

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

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. No. 1 was read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Onnen, Girard and McDonald introduced:

H. F. No. 34, A bill for an act proposing an amendment to the Minnesota Constitution, article XI, section 1; providing that state spending may not increase at a greater rate than increases in the consumer price index.

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

Bauerly, Vellenga, Kelso, Ozment and Pelowski introduced:

H. F. No. 35, A bill for an act relating to education; establishing a basic revenue formula allowance for fiscal years 1990 and 1991; revising the training and experience revenue formula; amending Minnesota Statutes 1988, section 124A.22, subdivisions 2 and 4.

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

Simoneau; Johnson, R.; Steensma and Begich introduced:

H. F. No. 36, A bill for an act relating to ethics; clarifying and modifying certain exceptions to multicandidate political party expenditure limitations; modifying lobbyist reporting requirements; and discontinuing the state ethical practices board responsibility for developing and furnishing certain forms; amending Minnesota Statutes 1988, sections 10A.04, subdivision 2; 10A.275; and 383B.055, subdivisions 1 and 2.

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

Redalen, Bauerly, Girard, Uphus and Pelowski introduced:

H. F. No. 37, A bill for an act relating to education; authorizing the use of health and safety revenue to improve handicapped accessibility to school district facilities; amending Minnesota Statutes 1988, section 124.83, subdivisions 1, 2, and 6.

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

Wenzel; Anderson, R.; Munger; Cooper and Sparby introduced:

H. F. No. 38, A bill for an act relating to human services; imposing a moratorium on discharges of persons with mental retardation from regional treatment centers; establishing an advisory council on regional treatment centers; proposing coding for new law in Minnesota Statutes, chapter 252.

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

Murphy introduced:

H. F. No. 39, A bill for an act relating to unemployment compen-

sation; defining the term "wages"; amending Minnesota Statutes 1988, section 268.04, subdivision 25.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Long, Rest and Welle introduced:

H. F. No. 40, A bill for an act relating to the financing of local government; providing for computation of debt limits as a percentage of market value; adjusting other debt limits for the conversion to tax capacities; adjusting disparity reduction aid in certain cases; making technical corrections in 1988 tax increment financing law; amending Minnesota Statutes 1988, sections 124.43, subdivision 1; 275.08, by adding a subdivision; 410.32; 412.301; 469.177, subdivision 1a; 475.53, subdivisions 1, 5, and by adding a subdivision; Laws 1988, chapter 719, article 12, section 30.

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

Rest, Wagenius, Blatz, Vellenga and Marsh introduced:

H. F. No. 41, A bill for an act relating to family law; making surrogate mother agreements void and unenforceable; prohibiting advertisements for surrogate mothers; prohibiting the arranging of surrogate mother agreements; proposing coding for new law in Minnesota Statutes, chapters 257 and 259.

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

McLaughlin and Simoneau introduced:

H. F. No. 42, A bill for an act relating to economic development; permitting state agencies and local jurisdictions to invest in a working capital fund; amending Minnesota Statutes 1988, section 137.31, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 16B, 161, 471, and 473.

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

Janezich and Rukavina introduced:

H. F. No. 43, A bill for an act relating to tax-forfeited lands;

authorizing St. Louis county to sell certain tax-forfeited lands adjacent to public waters by private sale.

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

Redalen introduced:

H. F. No. 44, A bill for an act relating to traffic regulations; providing exemption from two-unit vehicle restriction for horse trailers towed from place of manufacture; amending Minnesota Statutes 1988, section 169.81, subdivision 3.

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

Quinn; Carlson, L., and Weaver introduced:

H. F. No. 45; A bill for an act relating to education; appropriating money to administer a "2 + 2" program at Anoka-Ramsey Community College.

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

Kalis and Lieder introduced:

H. F. No. 46; A bill for an act relating to transportation; increasing amount authorized for state transportation bonds for bridges; amending Laws 1979, chapter 280, sections 1 and 2, as amended.

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

Lieder; Kalis and Johnson, R., introduced:

H. F. No. 47, A bill for an act relating to transportation; providing for the apportionment of revenues from the motor vehicle excise tax; amending Minnesota Statutes 1988, section 297B.09, subdivision 1.

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

Milbert introduced:

H. F. No. 48, A bill for an act relating to commerce; regulating

manufactured home park lot rentals; modifying the required notice of rent increases; limiting rent increases; providing for the resolution of rent increase disputes; amending Minnesota Statutes 1988, sections 327C.01, by adding a subdivision; 327C.05, by adding a subdivision; and 327C.06.

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

Vellenga, Wagenius, Rest, Welle and Johnson, A., introduced:

H. F. No. 49, A bill for an act relating to probate; providing for adult health care decisions; imposing penalties; proposing coding for new law as Minnesota Statutes, chapter 145B.

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

Begich introduced:

H. F. No. 50, A bill for an act relating to public debt; providing that certain property owners may vote on debt questions; amending Minnesota Statutes 1988, section 475.58, subdivision 1.

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

Bauerly introduced:

H. F. No. 51, A bill for an act relating to education; approving a maximum effort school loan program capital loan.

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

Kostohryz introduced:

H. F. No. 52, A resolution memorializing the Congress of the United States to restore full funding to the Veterans Administration Medical Centers.

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

Anderson, R.; Kostohryz; Quinn and Krueger introduced:

H. F. No. 53, A bill for an act relating to veterans; authorizing establishment of a veterans home in the city of Fergus Falls; proposing coding for new law in Minnesota Statutes, chapter 198.

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

Olson, K.; Kalis; Dauner and Winter introduced:

H. F. No. 54, A bill for an act relating to taxation; exempting leased hangars at airports in small cities from property taxation; amending Minnesota Statutes 1988, section 272.02, subdivision 1.

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

Blatz, Milbert and Dauner introduced:

H. F. No. 55, A bill for an act relating to taxation; extending valuation and deferment of agricultural property taxes in certain instances; amending Minnesota Statutes 1988, section 273.111, subdivision 3.

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

Price, Beard and Munger introduced:

H. F. No. 56, A bill for an act relating to watercraft; providing for titling and licensing of watercraft; providing procedures for notification of liens on watercraft; providing for enforcement of liens on watercraft; amending Minnesota Statutes 1988, sections 336.9-402; and 336.9-411; proposing coding for new law as Minnesota Statutes, chapter 361A; repealing Minnesota Statutes 1988, sections 361.03; and 579.01 to 579.08.

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

Kelly, Vellenga, Forsythe, Battaglia and Jaros introduced:

H. F. No. 57, A bill for an act relating to traffic regulations; extending motorcycle helmet requirement to include all operators and passengers; amending Minnesota Statutes 1988, section 169.974, subdivisions 4 and 6.

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

Forsythe, Kelly, Sviggum and Blatz introduced:

H. F. No. 58, A bill for an act relating to family law; permitting child support obligors to withdraw from the automatic withholding program; amending Minnesota Statutes 1988, section 518.613, subdivision 4.

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

Kelly, Marsh, Clark, Jefferson and Otis introduced:

H. F. No. 59, A bill for an act relating to crime; controlled substances; creating controlled substance crimes in the first, second, third, fourth, fifth, sixth, and seventh degrees; increasing penalties for controlled substance offenses; providing mandatory minimum sentences for repeat controlled substance offenses; providing a mandatory minimum sentence for a controlled substance offense committed with a dangerous weapon; creating a presumption that occupants in automobile or room knowingly possess controlled substances found there; amending Minnesota Statutes 1988, sections 152.01, by adding subdivisions; 152.096, subdivision 1; 152.097, by adding a subdivision; 152.15, subdivision 4a; 152.151; 152.18, subdivision 1; 152.20; 152.21, subdivision 6; and 609.11, subdivision 9; proposing coding for new law in Minnesota Statutes, chapter 152; repealing Minnesota Statutes 1988, sections 152.09; and 152.15, subdivisions 1, 2, 2a, 2b, 3, and 5.

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

Beard, Price and Swenson introduced:

H. F. No. 60, A bill for an act relating to crimes; removing the monetary limitation on seizure of conveyance devices associated with controlled substances; amending Minnesota Statutes 1988, sections 609.5311, subdivision 3; and 609.5314, subdivision 1.

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

Beard, Price, Quinn and Osthoff introduced:

H. F. No. 61, A bill for an act relating to human services; excluding

payments for exposure to Agent Orange from eligibility determination for general assistance; exempting causes of action for damages from exposure to Agent Orange from state agency liens and subrogation; amending Minnesota Statutes 1988, sections 256.015, by adding a subdivision; 256D.03, subdivisions 3 and 8; and 256D.08, subdivision 1.

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

Olsen, S.; Poppenhagen and Hartle introduced:

H. F. No. 62, A bill for an act relating to taxation; sales and use; exempting insurance investigation services; amending Minnesota Statutes 1988, section 297A.01, subdivision 3.

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

Johnson, R.; Solberg; Kinkel; Ogren and Neuenschwander introduced:

H. F. No. 63, A bill for an act relating to natural resources; exempting residents over 65 from licensing for harvesting of wild rice; amending Minnesota Statutes 1988, section 84.091, subdivision 2.

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

Olsen, S.; Valento; Knickerbocker; Forsythe and Henry introduced:

H. F. No. 64, A bill for an act relating to education; deleting levy equity provisions; amending Minnesota Statutes 1988, section 124A.23, subdivision 3; repealing Minnesota Statutes 1988, section 124A.24.

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

Otis introduced:

H. F. No. 65, A bill for an act relating to economic development; authorizing local jurisdictions involved in economic development to participate in secondary markets; proposing coding for new law in Minnesota Statutes, chapter 465.

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

Kostohryz, Vanasek, Schreiber, Quinn and Bennett introduced:

H. F. No. 66, A bill for an act relating to gambling; establishing a state-operated lottery; establishing a department of gaming to supervise a state-operated lottery, pari-mutuel horse racing, and charitable gambling; transferring the duties of the charitable gambling control board and the Minnesota racing commission to this department; appropriating money; amending Minnesota Statutes 1988, sections 10A.01, subdivision 18; 10A.09, subdivision 1; 15A.081, subdivision 1; 240.01, subdivisions 4, 9, and 10; 240.04; 240.28; 290.01, subdivision 19b; 290.61; 290.92, subdivision 27; 297A.25, by adding a subdivision; 349.12, subdivision 16; 541.20; 541.21; 609.75, subdivision 3; and 609.761; proposing coding for new law in Minnesota Statutes, chapters 240 and 349; proposing coding for new law as Minnesota Statutes, chapters 240B and 349A; repealing Minnesota Statutes 1988, sections 240.02; 240.04, subdivisions 1, 1a, and 6; and 349.151.

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

### MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce the adoption by the Senate of the following House Concurrent Resolution, herewith returned:

House Concurrent Resolution No. 1, A house concurrent resolution relating to adjournment for more than three days.

PATRICK E. FLAHAVEN, Secretary of the Senate

### MOTIONS AND RESOLUTIONS

Wenzel moved that the names of Scheid, Marsh, Sarna and Osthoff be added as authors on H. F. No. 3. The motion prevailed.

Kelly moved that the name of Bennett be added as an author on H. F. No. 13. The motion prevailed.

Johnson, V., moved that the name of Boo be added as an author on H. F. No. 19. The motion prevailed.

Johnson, V., moved that the names of Solberg, Uphus and Olsen, S., be added as authors on H. F. No. 23. The motion prevailed.

Johnson, V., moved that the names of Uphus, Jennings and Schafer be added as authors on H. F. No. 25. The motion prevailed.

Onnen moved that the name of Bennett be added as an author on H. F. No. 26. The motion prevailed.

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the following changes in committee assignments:

**Economic Development:** Add the name of Dawkins and remove the name of Jaros.

**Economic Development/Community Stabilization and Development Division:** Add the name of Dawkins and remove the name of Sparby.

**Economic Development/International Trade and Technology Division:** Add the name of Sparby and remove the name of Jaros.

**Judiciary/Criminal Justice Division:** Add the name of Janezich and remove the name of Hasskamp.

**Local Government and Metropolitan Affairs:** Add the name of Johnson, A., and remove the name of Dawkins.

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the following members as committee Vice-chairs for the 1989-90 session:

#### Committee

Agriculture

Appropriations

Agriculture, Transportation and

Semi-State Division

Education Division

Health and Human Services

Division

#### Vice-Chair

Nelson, C.

Rodosovich

Lieder

Dorn

Segal

State Departments Division	Sparby
Commerce	Kinkel
Economic Development	Peterson
Community Stabilization and Development Division	Dawkins
International Trade and Technology Division	Pelowski
Rural Resource Development Division	Cooper
Education	Olson, K.
Education Finance Division	Bauerly
Higher Education Division	Trimble
Environment and Natural Resources	Johnson, R.
Financial Institutions and Housing	Bertram
Housing Division	Jefferson
General Legislation, Veterans Affairs and Gaming	Price
Elections Division	Steensma
Gaming Division	Milbert
Governmental Operations	Rukavina
Health and Human Services	Dauner
Insurance	Winter
Judiciary	Wagenius
Criminal Justice Division	Carruthers
Labor-Management Relations	Beard
Local Government and Metropolitan Affairs	Johnson, A.
Regulated Industries	Tunheim
Rules and Legislative Administration	Krueger
Taxes	Olson, E.
Transportation	Lasley
Ways and Means	Welle

## ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 2:30 p.m., Thursday, January 19, 1989. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Thursday, January 19, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION—1989

## FIFTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, JANUARY 19, 1989

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

Prayer was offered by Father Steve Adrian of St. Matthew's Church, St. Paul, Minnesota.

The roll was called and the following members were present:

Abrams	Frerichs	Kostohryz	Onnen	Segal
Anderson, G.	Girard	Krueger	Orenstein	Simoneau
Anderson, R.	Greenfield	Lasley	Osthoff	Skoglund
Battaglia	Gruenes	Lieder	Ostrom	Solberg
Bauerly	Gutknecht	Limmer	Otis	Sparby
Beard	Hartle	Long	Ozment	Stanius
Begich	Hasskamp	Lynch	Pappas	Steenma
Bennett	Haukoos	Macklin	Pauly	Sviggum
Bertram	Heap	Marsh	Pellow	Swenson
Bishop	Henry	McDonald	Pelowski	Tompkins
Blatz	Himle	McEachern	Peterson	Trimble
Boo	Hugoson	McGuire	Poppenhagen	Tunheim
Brown	Jacobs	McLaughlin	Price	Uphus
Burger	Janezich	McPherson	Pugh	Valento
Carlson, L.	Jaros	Milbert	Quinn	Vellenga
Carruthers	Jefferson	Miller	Redalen	Wagenius
Clark	Jennings	Morrison	Reding	Waltman
Conway	Johnson, A.	Munger	Rest	Weaver
Cooper	Johnson, R.	Murphy	Rice	Welle
Dauner	Johnson, V.	Nelson, C.	Richter	Wenzel
Dawkins	Kahn	Nelson, K.	Rodosovich	Williams
Dempsey	Kalis	Neuenschwander	Rukavina	Winter
Dille	Kelly	O'Connor	Sarna	Wynia
Dorn	Kelso	Ogren	Schafer	Spk. Vanasek
Forsythe	Kinkel	Olson, K.	Scheid	
Frederick	Knickerbocker	Omann	Seaberg	

A quorum was present.

Carlson, D.; Olsen, S.; Olson, E.; Schreiber and Tjornhom were excused.

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

Pursuant to Rules of the House, printed copies of H. F. No. 1 have been placed in the members' files.

#### REPORTS OF STANDING COMMITTEES

Long from the Committee on Taxes to which was referred:

H. F. No. 40, A bill for an act relating to the financing of local government; providing for computation of debt limits as a percentage of market value; adjusting other debt limits for the conversion to tax capacities; adjusting disparity reduction aid in certain cases; making technical corrections in 1988 tax increment financing law; amending Minnesota Statutes 1988, sections 124.43, subdivision 1; 275.08, by adding a subdivision; 410.32; 412.301; 469.177, subdivision 1a; 475.53, subdivisions 1, 5, and by adding a subdivision; Laws 1988, chapter 719, article 12, section 30.

Reported the same back with the following amendments:

Page 8, after line 1, insert:

“Sec. 10. [EXCEPTION TO PRIOR PLANNED IMPROVEMENT AMENDMENT.]

Notwithstanding Laws 1988, chapter 719, article 12, section 22, if a city granted a site permit or building permit on September 8, 1988, with the intent of forming a tax increment district within three months after that date, whether or not the district was formed within that three-month period, then the original gross tax capacity of the tax increment district which is formed by the city and which includes the parcel or parcels to which the permit relates shall not be increased by the gross tax capacity upon completion of the improvements constructed pursuant to the permit.”

Page 8, line 2, delete “10” and insert “11”

Page 8, line 3, delete “and” and after “8” insert “, and 10”

Amend the title as follows:

Page 1, line 8, after “law” insert “and providing an exception to one of its provisions”

With the recommendation that when so amended the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. No. 40 was read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Jaros introduced:

H. F. No. 67, A bill for an act relating to education; requesting the University of Minnesota board of regents to restructure governance of the university.

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

Welle and Long introduced:

H. F. No. 68, A bill for an act relating to taxation; making technical corrections and tax capacity rate changes to the property taxation of unmined iron ore; making technical corrections and clarifications to the corporate franchise tax; retroactively providing a corporate franchise tax modification for mining income or gains; clarifying the computation of mining occupation taxes; exempting S corporations from business activity report filing requirements; repealing an obsolete reference; amending Minnesota Statutes 1988, sections 273.1104, subdivision 2; 273.13, subdivision 31; 290.01, subdivisions 4a and 19d; 290.015, subdivisions 1, 2, 3, and 4; 290.092, subdivision 4a; 290.191, subdivisions 6 and 11; 290.371; 298.01, subdivisions 3 and 4, and by adding subdivisions; and Laws 1988, chapter 719, article 2, section 57; repealing Minnesota Statutes 1988, sections 52.22 and 273.1104, subdivision 1.

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

Marsh, Wenzel, Valento, Swenson and Blatz introduced:

H. F. No. 69, A bill for an act relating to public administration;

authorizing spending to make improvements of a capital nature to existing state adult correctional facilities; authorizing issuance of state bonds; appropriating money.

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

Redalen introduced:

H. F. No. 70, A bill for an act appropriating funds for the Chatfield Brass Band Music Lending Library.

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

Olson, K.; Dauner; Cooper; Steensma and Winter introduced:

H. F. No. 71, A bill for an act relating to economic development; authorizing counties to establish economic development authorities; amending Minnesota Statutes 1988, sections 469.090, by adding a subdivision; 469.091, subdivision 1, and by adding a subdivision; 469.092, subdivisions 1, 3, 4, and 5; 469.093, subdivision 1; 469.094, subdivisions 1, 2, and 3; 469.095; 469.097, subdivisions 3, 5, and 6; 469.099, subdivision 3; 469.100, subdivisions 2, 3, 4, 5, and 6; 469.101, subdivisions 1, 4, 15, and 16; 469.102, subdivisions 1, 2, 4, and 5; 469.103, subdivisions 1 and 6; 469.105, subdivisions 1 and 4; and 469.107.

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

Tunheim and Lieder introduced:

H. F. No. 72, A bill for an act relating to elections; providing for the removal of certain voter registration cards; amending Minnesota Statutes 1988, section 201.13.

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

Tunheim and Lieder introduced:

H. F. No. 73, A bill for an act relating to workers' compensation; regulating the location for certain physical examinations; amending Minnesota Statutes 1988, section 176.155, subdivision 1.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Tunheim introduced:

H. F. No. 74, A bill for an act relating to game and fish; allowing vehicles on state land between 11:00 a.m. and 2:00 p.m. to transport big game; amending Minnesota Statutes 1988, sections 84.86, subdivision 1; 84.924, subdivision 1; and 97A.535, by adding a subdivision.

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

Tunheim introduced:

H. F. No. 75, A bill for an act relating to state lands; authorizing the sale of certain state land in Lake of the Woods county; amending Laws 1986, chapter 417, section 3.

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

Vellenga, Kelly, Lasley and Greenfield introduced:

H. F. No. 76, A bill for an act relating to juveniles; prohibiting the detention of juveniles in jails or lockups for longer than 24 hours; providing an exception for juveniles against whom a reference motion is pending; amending Minnesota Statutes 1988, sections 260.171, subdivisions 2 and 4; 260.172, subdivisions 1 and 2; and 260.173, subdivision 4.

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

McDonald and Onnen introduced:

H. F. No. 77, A bill for an act relating to taxation; income; repealing the subtraction for elderly and disabled and providing a pension exclusion; amending Minnesota Statutes 1988, sections 290.01, subdivision 19b, and by adding a subdivision; 290.032, subdivision 2; and 424A.10, subdivision 4; repealing Minnesota Statutes 1988, section 290.0802.

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

McDonald and Onnen introduced:

H. F. No. 78, A bill for an act relating to taxation; income; providing a subtraction for certain dependents; amending Minnesota Statutes 1988, section 290.01, subdivision 19b.

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

Kostohryz and Quinn introduced:

H. F. No. 79, A bill for an act relating to gambling; authorizing the governor, the attorney general, the speaker of the house, and the majority leader of the senate to negotiate a tribal-state compact pursuant to the Indian gaming regulatory act; proposing coding for new law in Minnesota Statutes, chapter 3.

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

Wenzel, Milbert, Pugh, Kostohryz and Omann introduced:

H. F. No. 80, A bill for an act relating to veterans; requiring the commissioner of veterans affairs to provide certain grave markers; appropriating money; amending Minnesota Statutes 1988, section 197.23.

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

Wenzel, Conway, Dauner, Sparby and Marsh introduced:

H. F. No. 81, A bill for an act relating to taxation; reducing commercial-industrial property taxes and providing for state payment to local units of government for the revenue lost as a result of the reduction; appropriating money; amending Minnesota Statutes 1988, section 273.13, subdivision 24.

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

Wenzel, Hasskamp, Sparby, Bauerly and Gutknecht introduced:

H. F. No. 82, A bill for an act relating to crimes; providing for life imprisonment without parole for persons convicted of premeditated murder or intentional homicide in the course of committing a drug offense; expanding the crime of first degree murder to include

drug-related homicides; eliminating juvenile court jurisdiction over minors 14 years old and older accused of murder or manslaughter; increasing penalties and imposing mandatory minimum sentences for certain violent crimes; prohibiting waiver of certain mandatory minimum sentences; amending Minnesota Statutes 1988, sections 152.15; 244.05, subdivision 4; 260.015, subdivision 5; 260.111, by adding a subdivision; 260.125, subdivision 3, and by adding a subdivision; 609.11, subdivision 7; 609.185; 609.19; 609.195; 609.20; 609.221; 609.223; 609.224, subdivision 2; 609.255, subdivision 3; 609.342, subdivision 2; 609.343, subdivision 2; 609.344, subdivision 2; 609.345, subdivision 2; and 609.377; repealing Minnesota Statutes 1988, section 609.11, subdivision 8.

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

Lasley, Brown, Waltman, Battaglia and Lieder introduced:

H. F. No. 83, A bill for an act relating to transportation; requiring commissioner of transportation to fund and maintain existing informational highway signs; appropriating money; amending Minnesota Statutes 1988, sections 160.285, by adding a subdivision; 160.296, by adding a subdivision; 173.02, subdivision 1; 173.07, by adding a subdivision; and 173.13, subdivision 4.

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

Battaglia; Bauerly; Jennings; Johnson, V., and Onnen introduced:

H. F. No. 84, A bill for an act relating to local government; describing relations between counties and towns for planning and zoning; amending Minnesota Statutes 1988, section 394.33, subdivision 1.

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

Murphy introduced:

H. F. No. 85, A bill for an act relating to public safety; regulating boiler operation and inspections; amending Minnesota Statutes 1988, sections 183.42; and 183.45.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Jaros; Johnson, A.; Trimble; Nelson, C., and Olson, K., introduced:

H. F. No. 86, A bill for an act relating to education; authorizing per diem for regents of the University of Minnesota; amending Minnesota Statutes 1988, section 137.024.

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

Jaros; Rukavina; Johnson, A.; Frederick and Pellow introduced:

H. F. No. 87, A bill for an act relating to education; requiring representation from each congressional district on the regent candidate advisory council; amending Minnesota Statutes 1988, section 137.0245, subdivision 2.

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

Johnson, A.; Quinn; Rodosovich; Olsen, S., and Jefferson introduced:

H. F. No. 88, A bill for an act relating to manufactured homes; providing for notice and first option to purchase a manufactured home park by the residents; proposing coding for new law in Minnesota Statutes, chapter 327C.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Bauerly, McEachern, Munger, Kalis and Redalen introduced:

H. F. No. 89, A bill for an act relating to well abandonment; authorizing demonstration projects for cost-sharing funds and technical assistance; determining susceptible groundwater recharge areas; appropriating money; amending Minnesota Statutes 1988, section 40.036, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 40.

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

Olsen, S.; Macklin; Gruenes; Henry and Gutknecht introduced:

H. F. No. 90, A bill for an act relating to taxation; income; providing a credit for home care of the elderly; amending Minnesota Statutes 1988, section 290.06, by adding a subdivision.

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

Redalen introduced:

H. F. No. 91, A bill for an act relating to agriculture; authorizing a grant for the further study of the culture of shiitake mushrooms in Minnesota; appropriating money.

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

O'Connor introduced:

H. F. No. 92, A bill for an act relating to game and fish; contents of firearms safety course for young hunters; amending Minnesota Statutes 1988, section 97B.015, subdivision 1.

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

Rodosovich, Pappas, Blatz, Wynia and Gruenes introduced:

H. F. No. 93, A bill for an act relating to state government; administrative procedures; regulating exempt rules; making certain technical changes; amending Minnesota Statutes 1988, section 14.40; proposing coding for new law in Minnesota Statutes, chapter 14; repealing Minnesota Statutes 1988, sections 116.44, subdivision 1; 144A.10, subdivision 6a; 174.031, subdivision 2; 254B.03, subdivision 6; 254B.04, subdivision 2; 257.357; and 574.262, subdivision 3; Laws 1985, chapter 4, section 8; and Laws 1987, chapter 337, section 128.

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

McLaughlin, Wynia, Rest, Welle and Ogren introduced:

H. F. No. 94, A bill for an act relating to taxation; individual income; modifying computation of the dependent care credit; indexing the offset for inflation; amending Minnesota Statutes 1988, section 290.067, subdivision 2, and by adding subdivisions.

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

Bishop, Kelly, Seaberg, Vellenga and Hasskamp introduced:

H. F. No. 95, A bill for an act relating to crime victim reparations; increasing the maximum amount of reparations payable for funeral, burial, or cremation expenses; clarifying the authority of the reparations board to deny reparations on the basis of claimant's contributory misconduct; amending Minnesota Statutes 1988, sections 611A.52; subdivision 8; and 611A.54.

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

Kalis; Carlson, D.; Vanasek; Lieder and Dempsey introduced:

H. F. No. 96, A bill for an act relating to highways; providing for the apportionment of five percent of the net highway users tax distribution fund; providing for the distribution of the county turnback account; amending Minnesota Statutes 1988, sections 161.081; 161.082, subdivision 2a; and 162.081, subdivision 1.

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

Hasskamp, Vellenga, Carruthers, Kelly and McGuire introduced:

H. F. No. 97, A bill for an act relating to crimes; requiring the court to order the preparation of a presentence investigation report in gross misdemeanor and misdemeanor cases when requested by the prosecutor; amending Minnesota Statutes 1988, section 609.115, subdivision 1.

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

Vellenga, Trimble, Bauerly, O'Connor and Kelso introduced:

H. F. No. 98, A bill for an act relating to education; authorizing transportation aid for transportation to a school within a different attendance area within a school district under certain circumstances; amending Minnesota Statutes 1988, section 124.223.

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

Lasley, Simoneau and Henry introduced:

H. F. No. 99, A bill for an act relating to traffic regulations;

restricting use by trucks of left lane of controlled-access, interstate highway in Twin Cities area; amending Minnesota Statutes 1988, section 169.18, by adding a subdivision.

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

Johnson, A.; Simoneau; Johnson, R.; Rukavina and Anderson, R., introduced:

H. F. No. 100, A bill for an act relating to state government; regulating part-time employees and employment policies; amending Minnesota Statutes 1988, sections 16A.11, subdivision 3; 43A.01, by adding a subdivision; 43A.05, subdivision 5; 43A.24, subdivision 1, and by adding a subdivision; and 43A.25.

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

Johnson, A.; Jaros; Kinkel; McGuire and Munger introduced:

H. F. No. 101, A bill for an act relating to education; requiring the student member of the board of regents to be a student at the time of election; amending Minnesota Statutes 1988, section 137.023.

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

Welle and Cooper introduced:

H. F. No. 102, A bill for an act relating to state parks; appropriating money for the acquisition of land in Sibley state park.

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

Welle and Cooper introduced:

H. F. No. 103, A bill for an act relating to retirement; authorizing certain members of the Minnesota state retirement system to purchase service credit for a period of authorized educational leave.

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

Welle and Cooper introduced:

H. F. No. 104, A bill for an act relating to local government; creating the Kandiyohi county rural development finance authority; authorizing the establishment of a development and redevelopment program and the authorization of powers for it.

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

Bishop and Kalis introduced:

H. F. No. 105, A bill for an act relating to highways; redesignating the AMVETS memorial highway as the American Veterans Memorial Highway; amending Minnesota Statutes 1988, section 161.14, subdivision 23.

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

Johnson, V.; Pelowski; Munger; Bennett and Redalen introduced:

H. F. No. 106, A bill for an act relating to game and fish; selection process for wild turkey license holders; amending Minnesota Statutes 1988, section 97A.435, subdivision 1.

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

Marsh and Valento introduced:

H. F. No. 107, A bill for an act relating to crimes; sentencing; increasing presumptive sentences for persons convicted of criminal sexual conduct; modifying the placement of the dispositional line in the sentencing guidelines grid; imposing criminal penalties on judges who sentence offenders to less than the mandatory minimum sentence required by law for the offense; amending Minnesota Statutes 1988, section 244.01, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 244 and 609.

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

Marsh introduced:

H. F. No. 108, A bill for an act relating to environment; requiring a reduction in the sale and use of certain pesticides; extending

certain pesticide record keeping requirements; amending Minnesota Statutes 1988, section 18B.37, subdivisions 1, 2, 3, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 18B.

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

Omann, Wenzel and Bertram introduced:

H. F. No. 109, A bill for an act relating to taxation; income; providing an exclusion for certain military pay; amending Minnesota Statutes 1988, section 290.01, subdivision 19b.

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

Kelly, Vellenga, Orenstein and Weaver introduced:

H. F. No. 110, A bill for an act relating to metropolitan government; prescribing the term of the chair of the metropolitan council; amending Minnesota Statutes 1988, section 473.123, subdivisions 2a and 4.

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

Munger, Jaros and Boo introduced:

H. F. No. 111, A bill for an act relating to retirement; extending access to the combined service annuity provision for certain former members of the Duluth police pension association.

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

Dauner, Battaglia, Valento, Dempsey and Winter introduced:

H. F. No. 112, A bill for an act relating to towns; authorizing town boards to provide for the collection of unpaid service charges; proposing coding for new law in Minnesota Statutes, chapter 366.

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

Battaglia; Lieder; Johnson, V.; Winter and Haukoos introduced:

H. F. No. 113, A bill for an act relating to local government; granting powers to towns; setting certain procedures; amending Minnesota Statutes 1988, sections 366.01, subdivision 7; 471.193, subdivision 2; 471.345, subdivision 5a; and 505.09, subdivision 1; repealing Minnesota Statutes 1988, section 368.121.

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

Rukavina, Bertram, Lieder, Dille and Haukoos introduced:

H. F. No. 114, A bill for an act relating to state government; providing for the establishment of an audit guide task force by the state auditor; amending Minnesota Statutes 1988, section 6.65.

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

Jennings, Battaglia, Sparby, Onnen and Johnson, V., introduced:

H. F. No. 115, A bill for an act relating to local government; authorizing towns to establish subordinate service districts; proposing coding for new law as Minnesota Statutes, chapter 365B.

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

Blatz, Vellenga, Lynch and Kelly introduced:

H. F. No. 116, A bill for an act relating to child abuse reporting; defining "physical abuse" to include use of a controlled substance by a pregnant woman; amending Minnesota Statutes 1988, section 626.556, subdivision 2.

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

Blatz, Trimble, Segal and Poppenhagen introduced:

H. F. No. 117, A bill for an act relating to human services; expanding eligibility for child care sliding fee program; providing for reimbursement of child care provider accreditation fees; creating an office of child care providers assistance in the department of human services; increasing the number of certain licensing inspections; requiring a privately operated child care in the capitol complex;

establishing state policy for certain inspections; exempting construction materials and equipment from sales tax; creating a tuition tax credit; creating an employer tax credit for child care operations; appropriating money; amending Minnesota Statutes 1988, sections 16B.04, subdivision 2; 16B.39, by adding a subdivision; 245A.04, by adding a subdivision; 245A.14, by adding a subdivision; 256H.10, subdivisions 1 and 2, and by adding a subdivision; 290.06, by adding subdivisions; and 297A.25, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 245.

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

Simoneau; Johnson, R.; Jefferson; Reding and Knickerbocker introduced:

H. F. No. 118, A bill for an act relating to retirement; providing lump sum payments to certain retired or disabled public employees or their surviving spouses; appropriating money.

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

Steensma, Kostohryz and McDonald introduced:

H. F. No. 119, A resolution memorializing the President and Congress of the United States to hold to the policy of no normalization of relations with the Socialist Republic of Vietnam.

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

### CONSENT CALENDAR

H. F. No. 1; A bill for an act relating to courts; reenacting the statutory provision authorizing six member juries in nonfelony cases; reenacting Minnesota Statutes 1988, section 593.01, 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 121 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Kinkel	Omann	Seaberg
Anderson, G.	Girard	Knickerbocker	Onnen	Segal
Anderson, R.	Greenfield	Kostohryz	Orenstein	Simoneau
Battaglia	Gruenes	Krueger	Osthoff	Skoglund
Bauerly	Gutknecht	Lasley	Ostrom	Solberg
Beard	Hartle	Lieder	Otis	Sparby
Begich	Hasskamp	Limmer	Ozment	Stanius
Bennett	Haukoos	Long	Pappas	Steensma
Bertram	Heap	Lynch	Pauly	Sviggum
Blatz	Henry	Macklin	Pellow	Swenson
Boo	Himle	Marsh	Pelowski	Tompkins
Burger	Hugoson	McGuire	Peterson	Trimble
Carlson, L.	Jacobs	McLaughlin	Poppenhagen	Tunheim
Carruthers	Janezich	McPherson	Price	Uphus
Clark	Jaros	Milbert	Pugh	Valento
Conway	Jefferson	Miller	Quinn	Vellenga
Cooper	Jennings	Morrison	Redalen	Wagenius
Dauner	Johnson, A.	Murphy	Reding	Waltman
Dawkins	Johnson, R.	Nelson, C.	Rest	Weaver
Dempsey	Johnson, V.	Nelson, K.	Rice	Welle
Dille	Kahn	Neuenschwander	Richter	Wenzel
Dorn	Kalis	O'Connor	Rodosovich	Williams
Forsythe	Kelly	Ogren	Sarna	Winter
Frederick	Kelso	Olson, K.	Schafer	Wynia
				Spk. Vanasek

Those who voted in the negative were:

McDonald      McEachern      Scheid

The bill was passed and its title agreed to.

### MOTIONS AND RESOLUTIONS

Olsen, S., moved that the names of Heap, Marsh and Pelowski be added as authors on H. F. No. 6. The motion prevailed.

Kostohryz moved that the names of Steensma; Vanasek; Olsen, S., and Gutknecht be added as authors on H. F. No. 52. The motion prevailed.

Kalis moved that H. F. No. 33 be recalled from the Committee on Transportation and be re-referred to the Committee on Local Government and Metropolitan Affairs. The motion prevailed.

### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to the Committee on Ethics:

Solberg, Chair  
 Long  
 Reding  
 Anderson, R.  
 Pauly  
 Bishop

## ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 2:30 p.m., Monday, January 23, 1989. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Monday, January 23, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION — 1989

## SIXTH DAY

SAINT PAUL, MINNESOTA, MONDAY, JANUARY 23, 1989

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

Prayer was offered by the Reverend Steven L. McKinley of Grace Lutheran Church, Andover, Minnesota.

The roll was called and the following members were present:

Abrams	Frederick	Knickerbocker	Olson, E.	Schafer
Anderson, G.	Frerichs	Kostohryz	Olson, K.	Scheid
Anderson, R.	Girard	Krueger	Omam	Schreiber
Battaglia	Greenfield	Lasley	Onnen	Seaberg
Bauerly	Gruenes	Lieder	Orenstein	Segal
Beard	Gutknecht	Limmer	Osthoff	Skoglund
Begich	Hartle	Long	Ostrom	Sparby
Bennett	Hasskamp	Lynch	Otis	Stanius
Bertram	Haukoos	Macklin	Ozment	Steensma
Bishop	Heap	Marsh	Pappas	Swiggum
Blatz	Henry	McDonald	Pauly	Swenson
Boo	Himle	McEachern	Pellow	Tjornhom
Brown	Hugoson	McGuire	Pelowski	Tompkins
Burger	Jacobs	McLaughlin	Peterson	Trimble
Carlson, D.	Janezich	McPherson	Poppenhagen	Tunheim
Carlson, L.	Jaros	Milbert	Price	Uphus
Carruthers	Jefferson	Miller	Pugh	Valento
Clark	Jennings	Morrison	Quinn	Vellenga
Conway	Johnson, A.	Munger	Redalen	Wagenius
Cooper	Johnson, R.	Murphy	Reding	Waltman
Dauner	Johnson, V.	Nelson, C.	Rest	Weaver
Dawkins	Kahn	Nelson, K.	Rice	Welle
Dempsey	Kalis	Neuenschwander	Richter	Wenzel
Dille	Kelly	O'Connor	Rodosovich	Williams
Dorn	Kelso	Ogren	Rukavina	Winter
Forsythe	Kinkel	Olsen, S.	Sarna	Wynia
				Spk. Vanasek

A quorum was present.

Simoneau was excused.

Solberg was excused until 3:00 p.m.

The Chief Clerk proceeded to read the Journal of the preceding

day. Heap 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

Pursuant to Rules of the House, printed copies of H. F. No. 40 have been placed in the members' files.

#### REPORTS OF STANDING COMMITTEES

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 14, A bill for an act relating to crimes; restitution; revising current procedures relating to the ordering and collection of restitution; amending Minnesota Statutes 1988, sections 260.185, subdivisions 1 and 3a; 609.135, subdivision 1a; 611A.04, subdivisions 1 and 2; and 611A.045.

Reported the same back with the following amendments:

Page 3, line 25, after "may" insert ", on the officer's own motion or at the request of the victim,"

Page 4, line 4, after "may" insert ", on the officer's own motion or at the request of the victim,"

Page 5, line 15, after the period insert "The court shall not require that the victim waive or otherwise forfeit any rights or causes of action as a condition of granting or partially granting restitution."

Page 5, after line 29, insert:

"Sec. 6. Minnesota Statutes 1988, section 611A.04, subdivision 3, is amended to read:

Subd. 3. [EFFECT OF ORDER FOR RESTITUTION.] An order of restitution may be enforced by any person named in the order to receive the restitution in the same manner as a judgment in a civil action. An order of restitution shall be docketed as a civil judgment by the court administrator of the district court in the county in which the order of restitution was entered. A juvenile court is not required to appoint a guardian ad litem for a juvenile offender before docketing a restitution order. Interest shall accrue on the unpaid balance of the judgment as provided in section 549.09. A decision for or against restitution in any criminal or juvenile proceeding is not a bar to any civil action by the victim or by the state pursuant to section 611A.61 against the offender. The offender

shall be given credit, in any order for judgment in favor of a victim in a civil action, for any restitution paid to the victim for the same injuries for which the judgment is awarded."

Page 6, after line 28, insert:

"Sec. 8. [611A.046] [VICTIM'S RIGHT TO REQUEST PROBATION REVIEW HEARING.]

A victim has the right to ask the offender's probation officer to request a probation review hearing if the offender fails to pay restitution as required in a restitution order."

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 6, delete "and 2" and insert ", 2, and 3"

Page 1, line 7, before the period insert "; proposing coding for new law in Minnesota Statutes, chapter 611A"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 22, A bill for an act relating to crimes; prohibiting unauthorized access to computers; imposing penalties; amending Minnesota Statutes 1988, sections 609.531, subdivision 1; and 609.87, subdivision 1, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 609.

Reported the same back with the following amendments:

Page 3, line 36, after "to" insert "government"

Page 4, line 7, delete everything after the first "a" and insert "gross misdemeanor."

Page 4, delete lines 8 and 9

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 27, A bill for an act relating to crimes; expanding the definition of "bodily harm" in the crime of third degree assault of an unborn child to include premature birth; amending Minnesota Statutes 1988, section 609.2672.

Reported the same back with the following amendments:

Page 1, line 17, before the period insert "if the child weighs 2,500 grams or less at the time of birth. "Bodily harm" does not include the inducement of the unborn child's birth when done for bona fide medical purposes"

With the recommendation that when so amended the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 14, 22 and 27 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Beard; Nelson, C.; Cooper; Kostohryz and Price introduced:

H. F. No. 120, A bill for an act relating to motor vehicles; providing for the transfer of "EX-POW" license plates to surviving spouses; amending Minnesota Statutes 1988, section 168.125, subdivision 1.

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

Beard; Nelson, C.; Cooper; Price and Kostohryz introduced:

H. F. No. 121, A bill for an act relating to veterans; requiring the commissioner of veterans affairs to provide certain grave markers; appropriating money; amending Minnesota Statutes 1988, section 197.23.

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

Beard, Price and Quinn introduced:

H. F. No. 122, A bill for an act relating to crimes; providing for an exception to certain activities prohibited on buses; amending Minnesota Statutes 1988, section 609.855, subdivision 3.

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

Sparby, Tunheim, Lieder and Ogren introduced:

H. F. No. 123, A bill for an act relating to courts; creating a new judicial district; amending Minnesota Statutes 1988, section 2.722, subdivision 1.

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

Bauerly, Weaver, Rest, McEachern and Ostrom introduced:

H. F. No. 124, A bill for an act relating to education; authorizing the use of community education funds to acquire equipment to be used exclusively in community education programs; amending Minnesota Statutes 1988, section 124.271, subdivision 4.

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

Nelson, K., introduced:

H. F. No. 125, A bill for an act relating to retirement; Minneapolis employees retirement fund; defining salary and final average salary to accommodate back payments under delayed collective bargaining agreements; providing for retroactive application for certain persons; amending Minnesota Statutes 1988, section 422A.01, by adding subdivisions.

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

Nelson, K., introduced:

H. F. No. 126, A bill for an act relating to education; expanding the uses of capital expenditure equipment revenue; amending Minnesota Statutes 1988, section 124.244, subdivision 4.

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

Milbert introduced:

H. F. No. 127, A bill for an act relating to corporations; providing for the simplification of certain filings made with the office of the secretary of state; changing the recipients of certain notices; modifying the definition of address to include zip codes; appropriating money; amending Minnesota Statutes 1988, sections 302A.011, subdivision 3; 302A.123, subdivision 1; 302A.821, subdivision 1; 303.02, subdivision 5; 303.10, subdivision 2; 303.13, subdivision 2; 303.14, subdivision 1; and 303.17, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 5.

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

Carlson, D., introduced:

H. F. No. 128, A bill for an act relating to local government; delaying the effective date of the historical society levy for Chisago, Kanabec, Pine, and Carlton counties; amending Laws 1988, chapter 640, section 4.

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

Carlson, D., introduced:

H. F. No. 129, A bill for an act relating to taxation; requiring a registration certificate for park trailers; imposing a registration tax on park trailers; requiring owners of unregistered park trailers to pay property tax; imposing motor vehicle excise tax on park trailers; providing that motor vehicle dealers may sell park trailers; amending Minnesota Statutes 1988, sections 168.011, subdivisions 4 and 8; 168.012, subdivision 9; 168.013, subdivision 1, and by adding a subdivision; 168.053, subdivision 2; 168.27, subdivision 1; and 297B.01, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 168.

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

Clark and Skoglund introduced:

H. F. No. 130, A bill for an act relating to health; amending the bill

of rights for patients and residents of health facilities; requiring health facilities to notify family members of the admission of a patient or resident under certain circumstances; amending Minnesota Statutes 1988, section 144.651, subdivision 10.

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

Sviggum, Bertram and Heap introduced:

H. F. No. 131, A bill for an act relating to workers' compensation; eliminating supplemental benefits for new claims; amending Minnesota Statutes 1988, section 176.132, subdivision 1.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Bertram; Olson, K.; Krueger; Wenzel and Uphus introduced:

H. F. No. 132, A bill for an act relating to animals; clarifying the liability for certain damages; increasing a penalty; amending Minnesota Statutes 1988, section 346.56.

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

Johnson, R.; Bertram; Tompkins; Dille and Simoneau introduced:

H. F. No. 133, A bill for an act relating to retirement; public employees retirement association; adding employees of the Minnesota association of townships as members; amending Minnesota Statutes 1988, section 353.01, subdivision 2a.

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

Johnson, R., and Tunheim introduced:

H. F. No. 134, A bill for an act relating to Beltrami county; authorizing the Beltrami county board to regulate dogs and cats within the county by ordinance.

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

Pappas, Vellenga, Seaberg and Bishop introduced:

H. F. No. 135, A bill for an act relating to juvenile court; clarifying the grounds for terminating parental rights to a child; authorizing the filing of a CHIPS petition when a child is engaging repeatedly in sexually aggressive behavior and the person responsible for the child fails or refuses to intervene; authorizing the detention of chronic runaways in secure custody within a shelter care facility; amending Minnesota Statutes 1988, sections 260.015, subdivision 2a; 260.155, subdivision 4; 260.173, subdivision 3; and 260.221, subdivisions 1 and 3.

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

Dawkins, Clark and Burger introduced:

H. F. No. 136, A bill for an act relating to landlord and tenant relations; providing standing for certain associations to bring an action for tenant remedies; providing for actions against certain unoccupied buildings; amending Minnesota Statutes 1988, sections 566.18, subdivision 7, and by adding a subdivision; 566.19; 566.20, subdivision 1; 566.25; 566.28; and 566.29, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 566.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Quinn, Kinkel, Jaros, Pelowski and Dorn introduced:

H. F. No. 137, A bill for an act relating to education; fixing the costs of tuition; amending Minnesota Statutes 1988, sections 135A.03, subdivision 1; and 135A.04.

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

Quinn, Jaros, Pelowski and Trimble introduced:

H. F. No. 138, A bill for an act relating to education; waiving first-year tuition for eligible post-secondary students; requiring public post-secondary governing boards to develop procedures to determine eligibility; requiring the higher education coordinating board to report; proposing coding for new law in Minnesota Statutes, chapter 135A.

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

Quinn, Cooper, Gutknecht and McDonald introduced:

H. F. No. 139, A bill for an act relating to veterans; requiring the commissioner of administration to provide space in the veterans service building to the county veterans service officers association; amending Minnesota Statutes 1988, section 197.58.

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

Dawkins; Osthoff; O'Connor; Anderson, G., and Krueger introduced:

H. F. No. 140, A bill for an act relating to housing; authorizing nonprofit neighborhood corporations to buy, rehabilitate, and sell housing to members of the community; establishing pilot programs for nonprofit neighborhood corporations; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 462A.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Nelson, K., and McEachern introduced:

H. F. No. 141, A bill for an act relating to education; correcting, clarifying, repealing, and changing certain education statutes; amending Minnesota Statutes 1988; sections 120.062, subdivisions 1 and 12; 121.88, subdivision 10; 121.904, subdivision 4a; 121.912, subdivision 1; 123.36, subdivision 13; 123.705, subdivision 1; 124.155, subdivision 2; 124.214, subdivisions 2 and 3; 124.225, subdivisions 1, 4b, 7a, 7b, 8a, 8b, 8i, 8j, 8k, 8l, 10, and by adding a subdivision; 124.245, subdivision 6; 124.575, subdivision 1; 124A.24; 126.22, subdivisions 2 and 3; and 275.125, subdivisions 5b, 5c, 5e, and 9; repealing Minnesota Statutes 1988, sections 120.02, subdivisions 2, 3, 4, 5, 6, 8, 9, 12, and 18; 120.05, subdivision 1; 120.075; 120.0751; 120.0752; 120.13; 120.14; 120.15; 120.16; 120.77; 121.09; 121.11, subdivision 13; 121.12; 121.151; 121.19; 121.28; 121.35; 121.49, subdivision 1; 121.496, subdivision 1; 121.83; 121.84; 121.845; 121.85; 121.86; 121.882, subdivisions 6 and 10; 121.902, subdivision 2; 121.9121, subdivision 6; 122.86; 122.87; 122.88; 123.35, subdivisions 8a, 8b, and 8c; 123.3511; 123.3512; 123.39, subdivision 5; 123.581, subdivisions 1 and 6; 123.60; 123.601; 123.61; 123.68; 123.701; 123.744; 124.12, subdivision 1; 124.18, subdivisions 2 and 3; 124.2138, subdivisions 3 and 4; 124.225, subdivisions 8i and 8j; 124.496; 124.573, subdivision 2; 124A.27, subdivision 7; 125.02; 125.231, subdivision 3; 125.241, subdivision 3; 125.60, subdivision 7; 126.02; 126.025; 126.03; 126.05; 126.07; 126.10; 126.11; 126.268, subdivision 2; 126.39, subdivision 11;

126.52, subdivision 11; 126.70, subdivision 3; 126.80; 127.08; 129B.52, subdivision 3; and 275.128.

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

Johnson, R., and Tunheim introduced:

H. F. No. 142, A bill for an act relating to health; creating an exception to the nursing home moratorium; amending Minnesota Statutes 1988, section 144A.071, subdivision 3.

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

Beard; Nelson, C.; Cooper and Sparby introduced:

H. F. No. 143, A bill for an act relating to motor vehicles; allowing second set of handicapped license plates to be issued to physically handicapped person who is furnished a vehicle as part of employment; allowing commissioner of public safety to accept photograph instead of physician's statement as evidence of physical handicap in certain circumstances; amending Minnesota Statutes 1988, sections 168.021, subdivision 1; and 169.345, subdivisions 2a and 3.

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

Trimble, Pelowski, Quinn, Rest and Pauly introduced:

H. F. No. 144, A bill for an act relating to libraries; removing the sales tax from the sale or use of certain public library materials, equipment, services, and facilities; removing the motor vehicle excise tax from the purchase of bookmobiles; amending Minnesota Statutes 1988, sections 297A.25, by adding a subdivision; and 297B.03.

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

Sarna, Williams, Simoneau, Knickerbocker and Janezich introduced:

H. F. No. 145, A bill for an act relating to retirement; giving employing units an option on the rule of 85; proposing coding for new law in Minnesota Statutes, chapter 356.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Wagenius; Johnson, A.; McEachern and Swenson introduced:

H. F. No. 146, A bill for an act relating to the education code; revising the text of certain chapters of the code without changing their meaning; amending Minnesota Statutes 1988, chapters 128; 128A; 128B; and 129; repealing Minnesota Statutes 1988, sections 128.04; 128.06; 128.069; 128A.04; 129.02; and 129.05 to 129.10.

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

Johnson, R.; Dauner; Williams; Conway and Winter introduced:

H. F. No. 147, A bill for an act relating to taxation; sales and use; repealing accelerated payment of June liability; amending Minnesota Statutes 1988, section 297A.27, subdivision 1; repealing Minnesota Statutes 1988, section 297A.275.

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

Price, Beard, Swenson and McPherson introduced:

H. F. No. 148, A bill for an act relating to Washington county; permitting the county board to establish certain payment procedures.

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

Omann, Wenzel, Uphus, Bertram and Girard introduced:

H. F. No. 149, A bill for an act relating to agriculture; providing for milk in the schools; appropriating money; amending Minnesota Statutes 1988, section 124.648.

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

Ogren; Anderson, R.; Greenfield; Wynia and Seaberg introduced:

H. F. No. 150, A bill for an act relating to health care; providing a program of affordable health care coverage for Minnesota residents;

creating a health care access commission to implement and administer the program; establishing eligibility requirements and funding sources; modifying income eligibility requirements for medical assistance; imposing penalties; appropriating money; amending Minnesota Statutes 1988, section 256B.056, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 290; proposing coding for new law as Minnesota Statutes, chapter 62J.

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

Skoglund, Quinn, Sarna, Tompkins and Trimble introduced:

H. F. No. 151, A bill for an act relating to health care; providing a program of affordable health care coverage for Minnesota residents; creating a health care access commission to implement and administer the program; establishing eligibility requirements and funding sources; modifying income eligibility requirements for medical assistance; imposing penalties; appropriating money; amending Minnesota Statutes 1988, section 256B.056, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 290; proposing coding for new law as Minnesota Statutes, chapter 62J.

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

Uphus, Rukavina, Jennings, Begich and Dille introduced:

H. F. No. 152, A bill for an act relating to unemployment compensation; regulating the amount of benefits; increasing the amount which can be earned before reducing benefits; amending Minnesota Statutes 1988, section 268.07, subdivision 2.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Simoneau, Rice, Vanasek, Reding and Knickerbocker introduced:

H. F. No. 153, A bill for an act relating to retirement; judges' retirement fund; providing coverage under the combined service annuity, disability, and survivor benefit provisions; amending Minnesota Statutes 1988, sections 356.30, subdivision 3; 356.302, subdivision 7; and 356.303, subdivision 4.

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

Lasley and Vellenga introduced:

H. F. No. 154, A bill for an act relating to crimes; removing the limitation period for charging sexual criminal conduct offenses if the victim is a child; amending Minnesota Statutes 1988, section 628.26.

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

Heap introduced:

H. F. No. 155, A bill for an act relating to taxation; extending open space property tax treatment to certain recreational uses; amending Minnesota Statutes 1988, section 273.112, subdivision 3.

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

Scheid, Osthoff, Neuenschwander, Boo and Abrams introduced:

H. F. No. 156, A bill for an act relating to commerce; industrial loan and thrift companies; regulating lending practices; prescribing the qualifications of the directors of certain companies; regulating the lending practices of regulated lenders; specifying the loan fees and charges that may be imposed by regulated lenders; regulating delinquency and collection charges on retail installment contracts; regulating mortgage foreclosure notices; amending Minnesota Statutes 1988, sections 53.04, subdivision 3a, and by adding a subdivision; 53.06; 56.12; 56.131, subdivisions 1, 2, and 6; 56.14; 168.71; and 580.03.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Clark, Simoneau and Greenfield introduced:

H. F. No. 157, A bill for an act relating to education; authorizing the Minneapolis school district to pay health insurance premium subsidies more often than annually; amending Minnesota Statutes 1988, section 275.125, subdivision 6h.

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

Carruthers, Skoglund, Poppenhagen, Wenzel and Onnen introduced:

H. F. No. 158, A bill for an act relating to insurance; regulating continuing insurance education; amending Minnesota Statutes 1988, section 60A.1701, subdivisions 1, 5, 7, 8, and 9; repealing Minnesota Rules, part 2725.0240.

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

Dawkins, Clark, Krueger, Marsh and Kelly introduced:

H. F. No. 159, A bill for an act relating to crimes; providing for termination, cancellation, and forfeiture of real estate interests related to contraband or controlled substance seizures; amending Minnesota Statutes 1988, sections 559.21, by adding a subdivision; 566.02; 609.531; 609.5311, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapters 566 and 609.

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

Dawkins, Jefferson, Marsh, O'Connor and Kelly introduced:

H. F. No. 160, A bill for an act relating to crimes; providing that the factfinder may consider certain circumstances in determining whether a person is soliciting for prostitution in a public place; providing that soliciting a prostitute in a primarily residential area is a gross misdemeanor for a first offense and a felony for a second or subsequent offense; providing that a motor vehicle used by a defendant while practicing prostitution is subject to forfeiture; amending Minnesota Statutes 1988, sections 609.324, subdivision 2, and by adding a subdivision; and 609.531, subdivision 1.

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

Dawkins, Ogren, Greenfield, Kelly and Clark introduced:

H. F. No. 161, A bill for an act relating to human services; requiring development and planning of a state-operated inpatient chemical dependency treatment center; requiring the inpatient chemical dependency program to provide services on a sliding fee basis; appropriating money.

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

Skoglund introduced:

H. F. No. 162, A bill for an act relating to insurance; regulating insurance information collection, use, disclosure, access, and correction practices; requiring reasons for adverse underwriting decisions; amending Minnesota Statutes 1988, section 72A.20, subdivision 11; proposing coding for new law in Minnesota Statutes, chapter 72A.

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

Dawkins, Kelly, Marsh, Carruthers and O'Connor introduced:

H. F. No. 163, A bill for an act relating to crime; enhancing penalties for offenders who unlawfully distribute controlled substances on school premises, at bus stops, or enroute to or from school; making possession and use of dangerous weapons while involved in unlawful controlled substance transactions a separate crime; requiring the attorney general to draft and disseminate a plain language version of these laws; amending Minnesota Statutes 1988, section 152.15, subdivision 1, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 152.

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

McLaughlin introduced:

H. F. No. 164, A bill for an act relating to crime; enhancing penalties for offenders who unlawfully distribute controlled substances to minors in public parks, on school premises, at bus stops, or enroute to or from school; making possession and use of dangerous weapons while involved in unlawful controlled substance transactions a separate crime; requiring the attorney general to draft and disseminate a plain language version of these laws; amending Minnesota Statutes 1988, section 152.15, subdivision 1, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 152.

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

Pelowski, Sviggum and Dorn introduced:

H. F. No. 165, A bill for an act relating to higher education; repealing limits on salaries of certain higher education officials; amending Minnesota Statutes 1988, section 15A.081, subdivision 7b.

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

Lasley and Rodosovich introduced:

H. F. No. 166, A bill for an act relating to transportation; providing that certain information submitted to department of transportation is public data; defining terms; providing for limousine registration; exempting certain special transportation service providers holding current certificate of compliance from motor carrier regulations; delineating requirements of carriers to display certain information; providing for permits of special passenger carriers and household goods carriers; providing for operation under motor carrier permit on death of holder; providing for amount of insurance, bond, or other security required of motor carriers; giving commissioner of transportation subpoena power for certain enforcement purposes; amending Minnesota Statutes 1988, sections 13.72, by adding a subdivision; 168.011, subdivision 35; 168.128, subdivision 2; 174.30, subdivision 6; 221.011, subdivisions 16, 20, and by adding a subdivision; 221.031, subdivision 6; 221.111; 221.121, subdivision 6a; 221.141, subdivision 1b; and 221.221, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 221.

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

Johnson, A.; Wagenius; Reding; Winter and Johnson, V., introduced:

H. F. No. 167, A bill for an act relating to the environment; requiring volume or weight based pricing of collection of mixed municipal solid waste; requiring weekly curbside pickup of mixed municipal solid waste and recyclables; requiring collection of white goods; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 115A.

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

Jaros; Trimble; Johnson, A.; Frederick and Fellow introduced:

H. F. No. 168, A bill for an act relating to education; requiring post-secondary education administrators and faculty members to take certain coursework; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 135A.

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

Battaglia, Onnen, Begich, Janezich and Kinkel introduced:

H. F. No. 169, A bill for an act relating to game and fish; authorizing elderly residents to take fish by spearing without a license; amending Minnesota Statutes 1988, section 97A.451, by adding a subdivision.

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

### MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

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

S. F. No. 83.

PATRICK E. FLAHAVER, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 83, A resolution memorializing the Congress of the United States to restore full funding to the Veterans Administration Medical Centers.

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

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

Wynia, from the Committee on Rules and Legislative Administration, pursuant to House Rule No. 1.9, designated the following bill as Special Orders for immediate consideration today, Monday, January 23, 1989:

H. F. No. 40.

## SPECIAL ORDERS

H. F. No. 40 was reported to the House.

Long moved to amend H. F. No. 40, the first engrossment, as follows:

Page 4, after line 24, insert:

“Sec. 3. Minnesota Statutes 1988, section 366.095, subdivision 1, is amended to read:

Subdivision 1. [CERTIFICATES OF INDEBTEDNESS.] The town board may issue certificates of indebtedness within the existing debt limits for a town purpose otherwise authorized by law. The certificates shall be payable in not more than five years and shall be issued on the terms and in the manner as the board may determine. If the amount of the certificates to be issued exceeds ~~one~~ 0.25 percent of the ~~gross tax capacity~~ market value of the town, ~~excluding money and credits~~, they shall not be issued for at least ten days after publication in a newspaper of general circulation in the town of the board's resolution determining to issue them; and if before the end of that time, a petition asking for an election on the proposition signed by voters equal to ten percent of the number of voters at the last regular town election is filed with the clerk, the certificates shall not be issued until the proposition of their issuance has been approved by a majority of the votes cast on the question at a regular or special election. A tax levy shall be made for the payment of the principal and interest on the certificates as in the case of bonds.”

Page 7, line 10, delete “gross”

Page 7, line 11, delete “12” and insert “8.2”

Page 7, line 13, after “capacity” insert “and must be multiplied by 10.2 to determine the applicable percentage or proportion of net tax capacity”

Page 7, after line 13, insert:

“Sec. 10. Minnesota Statutes 1988, section 641.24, is amended to read:

641.24 [LEASING.]

The county may, by resolution of the county board, enter into a lease agreement with any statutory or home rule charter city situated within the county, or a county housing and redevelopment authority established pursuant to chapter 462 or any special law

whereby the city or county housing and redevelopment authority will construct a jail in accordance with plans prepared by or at the request of the county board and approved by the commissioner of corrections and will finance it by the issuance of revenue bonds, and the county may lease the jail site and improvements for a term and upon rentals sufficient to produce revenue for the prompt payment of the bonds and all interest accruing thereon and, upon completion of payment, will acquire title thereto. The real and personal property acquired for the jail shall constitute a project and the lease agreement shall constitute a revenue agreement as contemplated in chapter 474, and all proceedings shall be taken by the city or county housing and redevelopment authority and the county in the manner and with the force and effect provided in chapter 474; provided that:

(1) No tax shall be imposed upon or in lieu of a tax upon the property;

(2) The approval of the project by the commissioner of commerce shall not be required;

(3) The department of corrections shall be furnished and shall record such information concerning each project as it may prescribe, in lieu of reports required on other projects to the commissioner of trade and economic development;

(4) The rentals required to be paid under the lease agreement shall not exceed in any year ~~four-tenths~~ one-tenth of one percent of the ~~gross tax capacity~~ market value of property within the county, as last finally equalized ~~before the execution of the agreement~~;

(5) The county board shall provide for the payment of all rentals due during the term of the lease, in the manner required in section 641.264, subdivision 2;

(6) No mortgage on the jail property shall be granted for the security of the bonds, but compliance with clause (5) hereof may be enforced as a nondiscretionary duty of the county board; and

(7) The county board may sublease any part of the jail property for purposes consistent with the maintenance and operation of a county jail."

Renumber the sections in sequence

Page 8, line 15, delete "6, 7, 8, and 10" and insert "5, 7, 8, 9, 10, and 12"

Page 8, line 16, delete "5 and 9" and insert "6 and 11"

Amend the title as follows:

Page 1, line 11, after the first semicolon, insert "366.095, subdivision 1;"

Page 1, line 13, after the semicolon, insert "641.24;"

The motion prevailed and the amendment was adopted.

H. F. No. 40, A bill for an act relating to the financing of local government; providing for computation of debt limits as a percentage of market value; adjusting other debt limits for the conversion to tax capacities; adjusting disparity reduction aid in certain cases; making technical corrections in 1988 tax increment financing law and providing an exception to one of its provisions; amending Minnesota Statutes 1988, sections 124.43, subdivision 1; 275.08, by adding a subdivision; 366.095, subdivision 1; 410.32; 412.301; 469.177, subdivision 1a; 475.53, subdivisions 1, 5, and by adding a subdivision; 641.24; Laws 1988, chapter 719, article 12, section 30.

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

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

Those who voted in the affirmative were:

Abrams	Frederick	Knickerbocker	Olson, E.	Schafer
Anderson, G.	Frerichs	Kostohryz	Olson, K.	Scheid
Anderson, R.	Girard	Krueger	Omann	Schreiber
Battaglia	Greenfield	Lasley	Onnen	Seaberg
Bauerly	Gruenes	Lieder	Orenstein	Segal
Beard	Gutknecht	Limmer	Osthoff	Skoglund
Begich	Hartle	Long	Ostrom	Solberg
Bennett	Hasskamp	Lynch	Otis	Sparby
Bertram	Haukoos	Macklin	Ozment	Stanius
Bishop	Heap	Marsh	Pappas	Steensma
Blatz	Henry	McDonald	Pauly	Sviggum
Boo	Himle	McEachern	Pellow	Swenson
Brown	Hugoson	McGuire	Pelowski	Tjornhom
Burger	Jacobs	McLaughlin	Peterson	Tompkins
Carlson, D.	Janezich	McPherson	Poppenhagen	Trimble
Carlson, L.	Jaros	Milbert	Price	Tunheim
Carruthers	Jefferson	Miller	Pugh	Uphus
Clark	Jennings	Morrison	Quinn	Valento
Conway	Johnson, A.	Munger	Redalen	Vellenga
Cooper	Johnson, R.	Murphy	Reding	Wagenius
Dauner	Johnson, V.	Nelson, C.	Rest	Waltman
Dawkins	Kahn	Nelson, K.	Rice	Weaver
Dempsey	Kalis	Neuenschwander	Richter	Welle
Dille	Kelly	O'Connor	Rodosovich	Wenzel
Dorn	Kelso	Ogren	Rukavina	Williams
Forsythe	Kinkel	Olsen, S.	Sarna	Winter
				Wynia
				Spk. Vanasek

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

### GENERAL ORDERS

Wynia moved that the bills on General Orders for today be continued one day. The motion prevailed.

### MOTIONS AND RESOLUTIONS

McDonald moved that the name of Valento be added as an author on H. F. No. 77. The motion prevailed.

McDonald moved that the name of Valento be added as an author on H. F. No. 78. The motion prevailed.

Omann moved that the name of Valento be added as an author on H. F. No. 109. The motion prevailed.

Blatz moved that the name of Carruthers be added as an author on H. F. No. 116. The motion prevailed.

Blatz moved that the name of Ogren be added as an author on H. F. No. 117. The motion prevailed.

### ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 2:30 p.m., Thursday, January 26, 1989. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Thursday, January 26, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION — 1989

## SEVENTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, JANUARY 26, 1989

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

Prayer was offered by the Reverend Thomas Duke, Executive Director of the St. Paul Area Council of Churches, St. Paul, Minnesota.

The roll was called and the following members were present:

Abrams	Frederick	Krueger	Onnen	Seaberg
Anderson, G.	Girard	Lasley	Orenstein	Segal
Anderson, R.	Greenfield	Lieder	Osthoff	Skoglund
Battaglia	Gruenes	Limmer	Ostrom	Solberg
Bauerly	Gutknecht	Lynch	Otis	Sparby
Beard	Hartle	Macklin	Ozment	Stanias
Begich	Hasskamp	Marsh	Pappas	Steensma
Bennett	Haukoos	McDonald	Pauly	Sviggum
Bertram	Heap	McEachern	Pellow	Swenson
Bishop	Henry	McGuire	Pelowski	Tjornhom
Blatz	Himle	McLaughlin	Peterson	Tompkins
Boo	Jacobs	McPherson	Poppenhagen	Trimble
Brown	Janezich	Milbert	Price	Uphus
Burger	Jaros	Miller	Pugh	Valento
Carlson, L.	Jefferson	Morrison	Redalen	Vellenga
Carruthers	Jennings	Munger	Reding	Wagenius
Clark	Johnson, A.	Murphy	Rest	Waltman
Conway	Johnson, R.	Nelson, C.	Rice	Weaver
Cooper	Johnson, V.	Nelson, K.	Richter	Welle
Dauner	Kalis	O'Connor	Rodosovich	Wenzel
Dawkins	Kelly	Ogren	Rukavina	Williams
Dempsey	Kelso	Olsen, S.	Sarna	Winter
Dille	Kinkel	Olson, E.	Schafer	Wynia
Dorn	Knickerbocker	Olson, K.	Scheid	Spk. Vanasek
Forsythe	Kostohryz	Omann	Schreiber	

A quorum was present.

Carlson, D.; Frerichs; Hugoson; Kahn; Long; Neuenschwander; Quinn; Simoneau and Tunheim were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Vellenga moved that further reading of the Journal be dis-

pensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

#### REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 14, 22, 27 and 40 and S. F. No. 83 have been placed in the members' files.

#### REPORTS OF STANDING COMMITTEES

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 95, A bill for an act relating to crime victim reparations; increasing the maximum amount of reparations payable for funeral, burial, or cremation expenses; clarifying the authority of the reparations board to deny reparations on the basis of claimant's contributory misconduct; amending Minnesota Statutes 1988, sections 611A.52; subdivision 8; and 611A.54.

Reported the same back with the following amendments:

Page 1, after line 9, insert:

"Section 1. Minnesota Statutes 1988, section 345.48, subdivision 1, is amended to read:

Subdivision 1. All funds received under sections 345.31 to 345.60, including the proceeds from the sale of abandoned property pursuant to section 345.47, shall forthwith be deposited by the commissioner in the general fund of the state; except that unclaimed restitution payments held by a court under section 345.38 shall be deposited in the crime victim and witness account created in section 609.101, subdivision 1. Before making the deposit the commissioner shall record the name and last known address of each person appearing from the holders' reports to be entitled to the abandoned property and of the name and last known address of each policyholder, insured person, or annuitant, and with respect to each policy or contract listed in the report of a life insurance corporation, its number, the name of the corporation, and the amount due. The record shall be available for public inspection at all reasonable business hours.

Sec. 2. Minnesota Statutes 1988, section 609.101, subdivision 2, is amended to read:

Subd. 2. [MINIMUM FINES.] Notwithstanding any other law:

(1) when a court sentences a person convicted of violating section

609.221, 609.267, or 609.342, it must impose a fine of not less than \$500 nor more than the maximum fine authorized by law;

(2) when a court sentences a person convicted of violating section 609.222, 609.223, 609.2671, 609.343, 609.344, or 609.345, it must impose a fine of not less than \$300 nor more than the maximum fine authorized by law; and

(3) when a court sentences a person convicted of violating section 609.2231, 609.224, or 609.2672, it must impose a fine of not less than \$100 nor more than the maximum fine authorized by law.

The court may not waive payment of the fine or authorize payment of it in installments unless the court makes written findings on the record that the convicted person is indigent or that the fine would create undue hardship for the convicted person or that person's immediate family.

The court shall collect the minimum portion of the fine mandated by this subdivision and forward 70 percent of it to a local victim assistance program that provides services locally in the county in which the crime was committed. The court shall forward the remaining 30 percent to the commissioner of finance to be credited to the crime victim and witness account established in subdivision 1. If more than one victim assistance program serves the county in which the crime was committed, the court may designate on a case-by-case basis which program will receive the fine proceeds, giving consideration to the nature of the crime committed, the types of victims served by the program, and the funding needs of the program. If no victim assistance program serves that county, the court shall forward 100 percent of the fine proceeds to the commissioner of finance to be credited to the crime victim and witness account. Fine proceeds received by a local victim assistance program must be used to provide direct services to crime victims. Fine proceeds credited to the crime victim and witness account may be appropriated to the crime victim and witness advisory council, and the council may use all or part of the proceeds for the purpose of providing grants to establish new victim assistance programs.

Proceeds from the fines required by this subdivision may not be used to supplant or otherwise displace funds budgeted by a state agency or local unit of government for the purpose of operating a victim assistance program.

The minimum fine required by this subdivision is in addition to the surcharge or assessment required by subdivision 1 and is in addition to any term of imprisonment or restitution imposed or ordered by the court.

As used in this subdivision, "victim assistance program" means victim witness programs within county attorney offices or any of the

following programs approved by the department of corrections: crime victim crisis centers, victim-witness programs, battered women shelters and nonshelter programs, and sexual assault programs.”

Page 2, line 31, delete “\$2,650” and insert “an amount to be determined by the board on the first day of each fiscal year”

Page 3, after line 19, insert:

“Sec. 4. Minnesota Statutes 1988, section 611A.53, is amended by adding a subdivision to read:

Subd. 1b. [MINNESOTA RESIDENTS INJURED ELSEWHERE.] A Minnesota resident who is the victim of a crime committed outside the geographical boundaries of this state but who otherwise meets the requirements of this section shall have the same rights under this chapter as if the crime had occurred within this state upon a showing that the state, territory, or United States possession in which the crime occurred does not have a crime victim reparations law covering the resident's injury or death.”

Renumber the remaining sections

Amend the title as follows:

Page 1, line 2, delete “victim reparations;” and insert “victims; clarifying certain criminal fine provisions; authorizing the deposit of unclaimed and abandoned restitution payments in the crime victim and witness account;”

Page 1, line 4, after the semicolon insert “authorizing the payment of reparations under certain circumstances to Minnesota residents injured by crimes committed elsewhere;”

Page 1, line 7, after “sections” insert “345.48, subdivision 1; 609.101, subdivision 2;”

Page 1, line 8, after the semicolon, insert “611A.53, by adding a subdivision;”

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 97, A bill for an act relating to crimes; requiring the court to order the preparation of a presentence investigation report

in gross misdemeanor and misdemeanor cases when requested by the prosecutor; amending Minnesota Statutes 1988, section 609.115, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 19, delete "misdemeanor or"

Amend the title as follows:

Page 1, line 4, delete "and misdemeanor"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

S. F. No. 83, A resolution memorializing the Congress of the United States to restore full funding to the Veterans Administration Medical Centers.

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

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 95 and 97 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. No. 83 was read for the second time.

## SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Kostohryz moved that the rule therein be suspended and an urgency be declared so that S. F. No. 83 be given its third reading and be placed upon its final passage. The motion prevailed.

Kostohryz moved that the Rules of the House be so far suspended that S. F. No. 83 be given its third reading and be placed upon its final passage. The motion prevailed.

S. F. No. 83, A resolution memorializing the Congress of the United States to restore full funding to the Veterans Administration Medical Centers.

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 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Krueger	Orenstein	Segal
Anderson, G.	Girard	Lasley	Osthoff	Skoglund
Anderson, R.	Greenfield	Lieder	Ostrom	Solberg
Battaglia	Gruenes	Limmer	Otis	Sparby
Bauerly	Gutknecht	Lynch	Ozment	Stanius
Beard	Hartle	Macklin	Pappas	Steensma
Begich	Hasskamp	Marsh	Pauly	Sviggum
Bennett	Haukoos	McDonald	Pellow	Swenson
Bertram	Heap	McEachern	Pelowski	Tjornhom
Bishop	Henry	McGuire	Peterson	Trimble
Blatz	Himie	McPherson	Poppenhagen	Uphus
Boo	Jacobs	Milbert	Price	Valento
Brown	Janezich	Miller	Pugh	Vellenga
Burger	Jaros	Morrison	Redalen	Wagenius
Carlson, L.	Jefferson	Munger	Reding	Waltman
Carruthers	Jennings	Murphy	Rest	Weaver
Clark	Johnson, A.	Nelson, C.	Rice	Welle
Conway	Johnson, R.	Nelson, K.	Richter	Wenzel
Cooper	Johnson, V.	O'Connor	Rodosovich	Williams
Dauner	Kalis	Ogren	Rukavina	Winter
Dawkins	Kelly	Olsen, S.	Sarna	Wynia
Dempsey	Kelso	Olsen, E.	Schafer	Spk. Vanasek
Dille	Kinkel	Olsen, K.	Scheid	
Dorn	Knickerbocker	Omamm	Schreiber	
Forsythe	Kostohryz	Onnen	Seaberg	

The bill was passed and its title agreed to.

### INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Forsythe, Schreiber, Redalen and Burger introduced:

H. F. No. 170, A bill for an act relating to probate; providing for adult health care decisions; imposing penalties; proposing coding for new law as Minnesota Statutes, chapter 145B.

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

Quinn and McEachern introduced:

H. F. No. 171, A bill for an act relating to education; establishing a pilot program to reduce class sizes in kindergarten through third grade; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124.

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

Stanius introduced:

H. F. No. 172, A bill for an act relating to taxation; exempting a levy by the city of White Bear Lake from the penalty for levies in excess of levy limitations.

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

Steensma, Wenzel, Trimble, Bauerly and Dille introduced:

H. F. No. 173, A bill for an act relating to agriculture; requiring consumers to be informed concerning the point of origin of certain food ingredients; proposing coding for new law in Minnesota Statutes, chapter 31.

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

Pappas and Jefferson introduced:

H. F. No. 174, A bill for an act relating to human services; allowing culturally specific vendors to assess the chemical dependency treatment needs of persons who do not fit the culturally specific population; amending Minnesota Statutes 1988, section 254B.03, subdivision 1.

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

Quinn, Munger, Weaver, Pugh and Johnson, R., introduced:

H. F. No. 175, A bill for an act relating to wild animals; requiring

a permit to possess dangerous nondomesticated wild animals; proposing coding for new law in Minnesota Statutes, chapter 97A.

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

Beard, Bauerly, Price, McPherson and Swenson introduced:

H. F. No. 176, A bill for an act relating to corrections; providing for reimbursements by the department of corrections to counties and municipalities for law enforcement activities involving state correctional inmates; appropriating money; amending Minnesota Statutes 1988, section 241.271.

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

McDonald, Hugoson, McPherson, Wenzel and Kelso introduced:

H. F. No. 177, A resolution memorializing the United States Congress to apply for a Constitutional Convention to propose an amendment to the United States Constitution to protect human life.

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

Segal, Ozment, Greenfield, Jefferson and Wynia introduced:

H. F. No. 178, A bill for an act relating to public safety; prohibiting the sale of cigarettes and little cigars that do not meet certain standards for fire safety; requiring the commissioner of public safety to develop standards; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 299F.

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

McDonald, Dempsey, Omann, Lynch and Valento introduced:

H. F. No. 179, A resolution memorializing the United States Congress to propose an amendment to the United States Constitution to protect human life.

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

Wynia, Ostrom, Williams and McGuire introduced:

H. F. No. 180, A bill for an act relating to probate; providing for adult health care decisions; imposing penalties; proposing coding for new law as Minnesota Statutes, chapter 145B.

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

Reding introduced:

H. F. No. 181, A bill for an act relating to the city of Austin; permitting payment of certain development expenses.

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

Quinn, Orenstein, Carruthers, Dempsey and Blatz introduced:

H. F. No. 182, A bill for an act relating to uniform acts; establishing uniform requirements for the determination of death; proposing coding for new law in Minnesota Statutes, chapter 609.

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

Greenfield, Ogren, Segal, Bishop and Pappas introduced:

H. F. No. 183, A bill for an act relating to health; enacting the uniform determination of death act; proposing coding for new law in Minnesota Statutes, chapter 145.

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

Clark, Cooper, Rukavina, Winter and Carlson, L., introduced:

H. F. No. 184, A bill for an act relating to health care; providing a program of affordable health care coverage for Minnesota residents; creating a health care access commission to implement and administer the program; establishing eligibility requirements and funding sources; modifying income eligibility requirements for medical assistance; imposing penalties; appropriating money; amending Minnesota Statutes 1988, section 256B.056, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 290; proposing coding for new law as Minnesota Statutes, chapter 62J.

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

O'Connor, Sarna, Heap, Milbert and McEachern introduced:

H. F. No. 185, A bill for an act relating to commerce; restraint of trade; providing an evidentiary presumption in resale price maintenance cases; proposing coding for new law in Minnesota Statutes, chapter 325D.

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

Carruthers, Rest, Kelso, Pappas and Weaver introduced:

H. F. No. 186, A bill for an act relating to employment; protective agents; prohibiting employers to hire as a protective agent a person convicted of certain crimes; disqualifying persons convicted of criminal sexual conduct from holding a license to operate a private detective or protective agent service; amending Minnesota Statutes 1988, sections 326.336, subdivision 1; 326.3381, subdivision 3, and by adding a subdivision; and 364.09.

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

Miller, Sparby, Neuenschwander, Battaglia and Carlson, D., introduced:

H. F. No. 187, A bill for an act relating to game and fish; prohibiting harassment of hunters and anglers; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 97A.

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

Kelso, Hasskamp, Wenzel, Tompkins and Blatz introduced:

H. F. No. 188, A bill for an act relating to human services; requiring the physician to make a determination of viability; prohibiting abortions except those necessary to preserve the life or health of the mother; regulating the method of abortion of the viable fetus; requiring the presence of a second physician at the abortion of a viable unborn child; regulating the standard of care for the viable unborn child; according protection of law to the child born alive as a result of abortion; providing a penalty; proposing coding for new law in Minnesota Statutes, chapter 144.

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

Welle and Cooper introduced:

H. F. No. 189, A bill for an act relating to education; appropriating money for the Minnesota AeroSpace Exploratorium.

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

Richter, Frederick, McDonald, Schafer and Waltman introduced:

H. F. No. 190, A bill for an act relating to transportation; providing for distribution of proceeds from the motor vehicle excise tax; amending Minnesota Statutes 1988, section 297B.09, subdivision 1.

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

Steensma, Kostohryz, McEachern, McDonald and Olsen, S., introduced:

H. F. No. 191, A bill for an act relating to the military; requiring the adjutant general to furnish flags for certain deceased members of the national guard regardless of their number of years of service; amending Minnesota Statutes 1988, section 192.381.

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

Sviggum, Rodosovich, Hugoson, Girard and Jennings introduced:

H. F. No. 192, A bill for an act relating to unemployment compensation; regulating benefit requalification after voluntary quit or discharge for misconduct; amending Minnesota Statutes 1988, section 268.09, subdivision 1.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Carruthers, Kelly, Pappas and Swenson introduced:

H. F. No. 193, A bill for an act relating to crimes; providing that an offender may not demand imposition of sentence; amending Minnesota Statutes 1988, section 609.135, by adding a subdivision.

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

Hartle, Morrison, Carruthers, Macklin and Segal introduced:

H. F. No. 194, A bill for an act relating to motor vehicles; allowing custodial parent of handicapped minor to obtain special license plates for the handicapped; amending Minnesota Statutes 1988, section 168.021, subdivision 1.

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

Omann, Jennings and Uphus introduced:

H. F. No. 195, A bill for an act relating to emergency drought relief; appropriating money to continue the emergency haylift operation.

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

Bishop, Vellenga, Macklin, Blatz and Kelly introduced:

H. F. No. 196, A bill for an act relating to privileged communications; providing an exception to the medical privilege when certain medical information is sought by a rape victim; amending Minnesota Statutes 1988, section 595.02, subdivision 2.

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

Stanisus; Long; Olsen, S.; Knickerbocker and Osthoff introduced:

H. F. No. 197, A bill for an act relating to individual income taxation; exempting wartime relocation restitution payments to Japanese-Americans from taxation; amending Minnesota Statutes 1988, section 290.01, subdivision 19b.

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

Blatz, Ogren, Vellenga, Macklin and Segal introduced:

H. F. No. 198, A bill for an act relating to health; providing that individuals under the good samaritan law may obtain certain

information about human immuno-deficiency virus seropositivity; amending Minnesota Statutes 1988, section 604.05, by adding a subdivision.

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

Valento, Henry, Pellow, Stanius and Tjornhom introduced:

H. F. No. 199, A bill for an act relating to taxation; property tax refund; changing the refund schedule and income limit; amending Minnesota Statutes 1988, section 290A.04, subdivision 2.

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

Quinn, Skoglund, Winter and Pugh introduced:

H. F. No. 200, A bill for an act relating to insurance; establishing the insurance consumers board; giving the board authority to collect and disseminate information; establishing a surcharge on insurance contracts; appropriating money collected by the surcharge to the board; proposing coding for new law in Minnesota Statutes, chapter 60A.

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

Johnson, A.; Rest; Wagenius and Brown introduced:

H. F. No. 201, A bill for an act relating to liquor; increasing age for provisional driver's license to 21 years; providing for fees; providing for license suspension for minors misrepresenting their age for purposes of purchasing alcoholic beverages; providing penalty for misuse of Minnesota identification card; amending Minnesota Statutes 1988, sections 171.02, subdivision 3; 171.06, subdivision 2; 171.07, subdivision 1; 171.171; 171.22; and 171.27.

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

Segal, Otis, Tunheim and Rest introduced:

H. F. No. 202, A bill for an act relating to education; deleting levy equity provisions; amending Minnesota Statutes 1988, section 124A.23, subdivision 3; repealing Minnesota Statutes 1988, section 124A.24.

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

Bertram, Kostohryz, Steensma, Bennett and Gutknecht introduced:

H. F. No. 203, A bill for an act relating to the military; clarifying the authority of the adjutant general to establish the pay grade for certain staff positions; amending Minnesota Statutes 1988, section 190.08, subdivision 6.

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

Frederick, Dorn, Brown, Girard and Johnson, V., introduced:

H. F. No. 204, A bill for an act relating to unclaimed property; providing for the disposition of unclaimed money held by counties; amending Minnesota Statutes 1988, section 345.38, by adding a subdivision.

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

Quinn, Scheid, Bertram, Price and Solberg introduced:

H. F. No. 205, A bill for an act relating to elections; limiting campaign expenditures by congressional candidates who choose to receive a public subsidy for their campaigns; making related changes in the ethics in government act; limiting amounts of contributions from political action committees that may be accepted by a congressional candidate; proposing a constitutional amendment to impose campaign spending limits on congressional candidates; imposing penalties; amending Minnesota Statutes 1988, sections 10A.01, subdivisions 7, 10, 10b, 15, and by adding subdivisions; 10A.25, subdivision 10, and by adding a subdivision; 10A.255; 10A.27, by adding a subdivision; 10A.275; 10A.28; 10A.30, subdivision 2; 10A.31, subdivisions 1 to 3, 5 to 11, and by adding subdivisions; 10A.33; and 10A.335; proposing coding for new law in Minnesota Statutes, chapter 10A; repealing Minnesota Statutes 1988, sections 10A.27, subdivision 5; and 10A.32.

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

Quinn, Cooper, McEachern, Swenson and Weaver introduced:

H. F. No. 206, A bill for an act relating to education; establishing a program to reduce class sizes in kindergarten through third grade; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124.

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

Quinn, Milbert, Simoneau, Marsh and Rice introduced:

H. F. No. 207, A bill for an act relating to public safety; establishing the board of jail employee training and standards; regulating jail employees; providing penalties; appropriating money; amending Minnesota Statutes 1988, sections 214.01, subdivision 3; 214.04, subdivisions 1 and 3; and 364.09; proposing coding for new law in Minnesota Statutes, chapter 214; proposing coding for new law as Minnesota Statutes, chapter 644.

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

Brown; Nelson, C.; Dauner; Olson, E., and Lieder introduced:

H. F. No. 208, A bill for an act relating to probate; providing for adult health care decisions; imposing penalties; proposing coding for new law as Minnesota Statutes, chapter 145B.

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

O'Connor introduced:

H. F. No. 209, A bill for an act relating to retirement; authorizing purchase of prior service credit in the public employees retirement association by a certain Ramsey county court commissioner.

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

Price and Beard introduced:

H. F. No. 210, A bill for an act relating to counties; permitting counties to rent county-owned residences by less formal procedure; amending Minnesota Statutes 1988, section 373.01, subdivision 1.

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

Price and Beard introduced:

H. F. No. 211, A bill for an act relating to local government; excepting computer software purchases from the uniform municipal contracting law; amending Minnesota Statutes 1988, section 471.345, by adding a subdivision.

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

Janezich, O'Connor and Jacobs introduced:

H. F. No. 212, A bill for an act relating to the city of Hibbing; authorizing two additional on-sale liquor licenses.

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

Rest, Brown, Peterson, Marsh and Limmer introduced:

H. F. No. 213, A bill for an act relating to crime; increasing the penalty for criminal vehicular operation; amending Minnesota Statutes 1988, section 609.21, subdivision 1.

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

Welle and Long introduced:

H. F. No. 214, A bill for an act relating to taxation; making technical corrections and clarifications to individual income and corporate franchise taxes; updating references to the Internal Revenue Code; imposing a tax and providing for withholding of certain payments to nonresidents; requiring surety payment by out-of-state contractors; amending Minnesota Statutes 1988, sections 290.01, subdivisions 4, 7, 19, 19a, 19b, 19c, 19d, 19e, and 19f; 290.06, subdivision 22; 290.067, subdivision 1; 290.0802, subdivision 2; 290.095, subdivision 9; 290.17, subdivision 1; 290.92, by adding subdivisions; and 291.005, subdivision 1; proposing coding for new law in chapter 290; repealing Minnesota Statutes 1988, section 290.01, subdivision 6a.

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

Rukavina, Munger, Marsh, Reding and Stanius introduced:

H. F. No. 215, A bill for an act relating to game and fish; providing for restitution for wild animals that are illegally killed or injured; providing for civil penalties for wild animals killed or injured; restricting expenditures from restitution to replacement and propagation of wild animals illegally killed or injured; amending Minnesota Statutes 1988, section 97A.065, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 97A.

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

Hartle, Frerichs, Carruthers, Conway and Frederick introduced:

H. F. No. 216, A bill for an act relating to probate; providing for adult health care decisions; imposing penalties; proposing coding for new law as Minnesota Statutes, chapter 145B.

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

Simoneau, Vellenga, Kelso, Hasskamp and Schafer introduced:

H. F. No. 217, A bill for an act relating to health; requiring licensed optometrists to be certified by the board of optometry to prescribe legend drugs; authorizing the prescription of legend drugs by licensed optometrists who are board certified; authorizing the prescription of certain controlled substances by licensed optometrists who are board certified; amending Minnesota Statutes 1988, sections 148.572; 148.574; 151.01, subdivision 23; 152.11, subdivision 2; and 152.12, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 148.

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

Olson, K.; Conway; Lieder; Seaberg and Solberg introduced:

H. F. No. 218, A bill for an act relating to motor vehicles; defining terms; including station wagon and certain passenger-carrying vans as passenger automobiles for all purposes; providing for registration of certain vehicles; amending Minnesota Statutes 1988, sections 65B.001, subdivision 3; 65B.43, subdivision 12; 116.60, subdivision 7; 168.011, subdivisions 7, 28, and 35; 168.012, subdivision 1; 168.017, subdivision 1; 168.12, subdivisions 2b and 2c; 168.124, subdivision 5; 168.125, subdivision 1; and 168.126, subdivision 2;

repealing Minnesota Statutes 1988, sections 168.011, subdivision 23; and 168.101, subdivision 5.

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

Bishop, Scheid, Sarna, Skoglund and Bennett introduced:

H. F. No. 219, A bill for an act relating to discrimination; prohibiting conditioning credit on the signature of another person if the applicant is creditworthy; amending Minnesota Statutes 1988, section 363.03, subdivision 8.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Tompkins, Frederick, Burger, Gruenes and McDonald introduced:

H. F. No. 220, A bill for an act proposing an amendment to the Minnesota Constitution, article XI, section 1; providing that state spending may not increase at a greater rate than increases in the consumer price index or total personal income.

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

Schreiber, Miller, Stanius, Sviggum and McDonald introduced:

H. F. No. 221, A bill for an act relating to taxation; sales and use; repealing accelerated payment of June liability; amending Minnesota Statutes 1988, section 297A.27, subdivision 1; repealing Minnesota Statutes 1988, section 297A.275.

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

Pappas and Trimble introduced:

H. F. No. 222, A bill for an act relating to health, human services, and corrections; establishing requirements to prevent overconcentration of residential facilities; requiring county plans for the dispersal and downsizing of facilities in overconcentrated areas; limiting municipal zoning restrictions on certain residential facilities; proposing coding for new law in Minnesota Statutes, chapters 245A and 462; repealing Minnesota Statutes 1988, sections 245A.11; and 462.357, subdivisions 6a, 7, and 8.

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

Skoglund, Seaberg, Bishop, Kahn and Jaros introduced:

H. F. No. 223, A bill for an act relating to consumer protection; prohibiting the sale of tobacco from multiproduct vending machines; prescribing a penalty; proposing coding for new law in Minnesota Statutes, chapter 325E.

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

Olsen, S.; Uphus; Frederick; Girard and Lynch introduced:

H. F. No. 224, A bill for an act relating to taxation; property; extending the homestead and agricultural credit to taxes payable after 1989; abolishing transition aid; repealing increases in income maintenance payments; amending Minnesota Statutes 1988, sections 124.155, subdivision 2; 124.2131, subdivision 3; 124.2139; 124A.02, subdivision 3a; 256.01, subdivision 2; 256.72; 256.81; 256.82, subdivision 1; 256.863; 256.871, subdivision 6; 256.935, subdivision 1; 256.991; 256B.041, subdivisions 5 and 7; 256B.05, subdivision 1; 256B.091, subdivision 8; 256B.15; 256B.19, subdivisions 1 and 2; 256D.03, subdivisions 2 and 6; 256D.04; 256D.36, subdivision 1; 256G.01, subdivision 3; 256G.02, subdivision 4; 256G.04, subdivision 1; 256G.05; 256G.07; 256G.10; 256G.11; 273.123, subdivisions 4 and 5; 273.124, subdivisions 11 and 13; 273.13, subdivisions 22 and 23; 273.132, subdivisions 1, 2, and 5; 273.135, subdivision 2; 273.1391, subdivision 2; 273.1392; 273.1398, subdivisions 1, 3, and 6; 273.165, subdivision 2; 275.065, subdivision 2; 275.07, subdivision 1; 275.08, subdivisions 1a and 1b; 275.50, subdivision 5; 275.51, subdivisions 3f and 3h; 276.04, subdivision 2; 290A.04, subdivision 2; 393.07, subdivisions 2 and 10; 473.446, subdivision 1; 473F.02, subdivision 23; 473F.05; 473F.06; 473F.07, subdivisions 1, 4, and 5; 473F.08, subdivisions 1, 2, 3a, 4, 5, 6, and 10; 473F.10; 477A.011, subdivisions 15 and 20; and 477A.013, subdivision 3; Laws 1988, chapter 719, article 5, sections 81 and 84; repealing Minnesota Statutes 1988, sections 256.017; 256.018; 256.019; 273.13, subdivision 21a; 273.135, subdivision 2a; 273.1391, subdivision 2a; 273.1398, subdivisions 2 and 5; 275.07, subdivision 3; 275.08, subdivision 1c; 290A.04, subdivision 2b; and Laws 1988, chapter 719, article 8, sections 32, 33, 34, 35, and 36.

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

Dempsey, Conway and Schafer introduced:

H. F. No. 225, A bill for an act relating to education; providing open options for all school-aged persons; changing school census provisions; appropriating money; amending Minnesota Statutes 1988, section 120.095, subdivisions 3 and 6; proposing coding for new law in Minnesota Statutes, chapter 124A.

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

Orenstein, Jefferson, Dorn, Pelowski and Trimble introduced:

H. F. No. 226, A bill for an act relating to probate; providing for adult health care decisions; imposing penalties; proposing coding for new law as Minnesota Statutes, chapter 145B.

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

Nelson, K.; Olson, K.; Price; Segal and Otis introduced:

H. F. No. 227, A bill for an act relating to probate; providing for adult health care decisions; imposing penalties; proposing coding for new law as Minnesota Statutes, chapter 145B.

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

Pappas, Dawkins, McLaughlin, Clark and Greenfield introduced:

H. F. No. 228, A bill for an act relating to probate; providing for adult health care decisions; imposing penalties; proposing coding for new law as Minnesota Statutes, chapter 145B.

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

Ogren, Janezich, Munger, Rukavina and Osthoff introduced:

H. F. No. 229, A bill for an act relating to probate; providing for adult health care decisions; imposing penalties; proposing coding for new law as Minnesota Statutes, chapter 145B.

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

Simoneau; Reding; Lasley; Johnson, R., and Beard introduced:

H. F. No. 230, A bill for an act relating to probate; providing for adult health care decisions; imposing penalties; proposing coding for new law as Minnesota Statutes, chapter 145B.

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

Sparby, Wenzel, Waltman, Reding and Nelson, C., introduced:

H. F. No. 231, A bill for an act relating to groundwaters; establishing a cost-sharing program for the identification and sealing of certain unused water wells to protect groundwaters from pollution.

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

Sparby, Vanasek, Neuenschwander, Reding and Battaglia introduced:

H. F. No. 232, A bill for an act relating to game and fish; setting conditions under which a hunter may take two deer; amending Minnesota Statutes 1988, section 97B.301, subdivision 4.

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

Gutknecht, Quinn, Boo, Kostohryz and Osthoff introduced:

H. F. No. 233, A bill for an act relating to gambling; establishing a compulsive gambling fund with one-fourth of one percent of all revenues from taxes imposed on charitable gambling; directing the commissioner of human services to establish a program of assistance to compulsive gamblers and their families; amending Minnesota Statutes 1988, section 349.212, subdivisions 2 and 4; proposing coding for new law in Minnesota Statutes, chapter 245.

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

Beard, Bertram and Price introduced:

H. F. No. 234, A bill for an act relating to negligence; providing immunity from liability for volunteer members of the National Ski Patrol System; amending Minnesota Statutes 1988, section 604.05, subdivision 2.

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

Johnson, R.; Greenfield; Segal; Gruenes and Wynia introduced:

H. F. No. 235, A bill for an act relating to human services; authorizing counties to establish multidisciplinary chemical dependency prevention teams; authorizing the state planning agency to fund these teams in several counties on a demonstration basis; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 254A.

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

Jaros, Ogren, Onnen, Tompkins and Greenfield introduced:

H. F. No. 236, A bill for an act relating to health; establishing a treatment program for compulsive gamblers; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 245.

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

Munger; Olsen, S.; Jaros; Dawkins and McLaughlin introduced:

H. F. No. 237, A bill for an act relating to health care; providing a program of affordable health care coverage for Minnesota residents; creating a health care access commission to implement and administer the program; establishing eligibility requirements and funding sources; modifying income eligibility requirements for medical assistance; imposing penalties; appropriating money; amending Minnesota Statutes 1988, section 256B.056, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 290; proposing coding for new law as Minnesota Statutes, chapter 62J.

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

Long, Skoglund, Scheid and Kahn introduced:

H. F. No. 238, A bill for an act relating to probate; providing for adult health care decisions; imposing penalties; proposing coding for new law as Minnesota Statutes, chapter 145B.

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

Boo, Jaros and Morrison introduced:

H. F. No. 239, A bill for an act relating to probate; providing for adult health care decisions; imposing penalties; proposing coding for new law as Minnesota Statutes, chapter 145B.

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

Anderson, G.; Tunheim; Neuenschwander and Carlson, L., introduced:

H. F. No. 240, A bill for an act relating to probate; providing for adult health care decisions; imposing penalties; proposing coding for new law as Minnesota Statutes, chapter 145B.

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

Clark, Pappas, Dawkins and Osthoff introduced:

H. F. No. 241, A bill for an act relating to housing; requiring housing impact statements before displacement of certain low-income housing; requiring state government units to replace certain displaced low-income housing; providing for enforcement; proposing coding for new law in Minnesota Statutes, chapter 504.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Dauner, Williams, Ozment, Kalis and Valento introduced:

H. F. No. 242, A bill for an act relating to transportation; providing for strength, width, clearance, and safety standards for bridges; amending Minnesota Statutes 1988, section 165.03, subdivision 1.

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

Rest and Long introduced:

H. F. No. 243, A bill for an act relating to the department of revenue; recodifying information and disclosure provisions to increase uniformity of treatment and comply with the data privacy act; amending Minnesota Statutes 1988, sections 60A.17, subdivision 20; 82.27, subdivision 7; 147.091, subdivision 7; 148.10, subdivision 5; 148B.06, subdivision 3; 150A.08, subdivision 9; 171.31;

176.186; 176.231, subdivision 9; 256.978; 270.052; 270.064; 270.66, subdivision 3; 270.72, subdivision 4; 270.73, subdivision 1; 270A.11; 290.081; 290.174; 290.371, subdivision 5; 290.50, subdivision 6; 290.523, subdivision 1; 290.91; 290.92, subdivisions 5a, 17, and 26; 290A.112, subdivision 1; 297A.07; 326.20, subdivision 4; and 469.173, subdivision 5; proposing coding for new law as Minnesota Statutes, chapter 270B; repealing Minnesota Statutes 1988, sections 290.05, subdivision 7; 290.61; 290A.17; 291.48; and 297A.43.

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

Rest and Long introduced:

H. F. No. 244, A bill for an act relating to tax administration; recodifying and providing for the administration of certain taxes; imposing penalties; appropriating money; amending Minnesota Statutes 1988, sections 270.06; 270.07, subdivision 1, and by adding a subdivision; 270.65; 270.67, subdivision 2; 270.68, subdivisions 1 and 3; 270.69, subdivisions 2, 3, 7, 8, and by adding a subdivision; 270.70, subdivisions 1 and 2; 270.73, subdivision 1; 290.05, subdivision 4; 290.92, subdivisions 6a, 15, 23, and 24; 290A.07, subdivisions 2a and 3; 290A.19; 291.09, subdivision 3a; 296.18, subdivisions 2 and 3; 296.25; 297A.03, subdivision 2; 297A.041; 297A.17; 297A.18; and 297A.211, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 270; proposing coding for new law as Minnesota Statutes, chapter 289A; repealing Minnesota Statutes 1988, sections 270.08; 270.10, subdivision 4; 270.651; 270.77; 271.061; 290.05, subdivision 5; 290.067, subdivision 5; 290.281, subdivision 5; 290.29; 290.37; 290.38; 290.39; 290.391; 290.40; 290.41; 290.42; 290.43; 290.44; 290.45; 290.46; 290.47; 290.49; 290.50, as amended; 290.52; 290.521; 290.522; 290.523; 290.53, subdivisions 1, 1a, 2, 2a, 3, 3a, 4, 5, 7, 8, 9, 10, and 11; 290.54; 290.56; 290.57; 290.58; 290.59; 290.65; 290.92, subdivisions 6, 7, 8, 11, 13, 14, and 15; 290.923, subdivision 7; 290.93; 290.931; 290.932; 290.933; 290.934; 290.935; 290.936; 290.974; 290A.06; 290A.11, subdivisions 1, 1a, 2, 3, and 4; 290A.111; 290A.112; 290A.12; 291.09, subdivisions 1a, 2a, 4a, 6, and 7; 291.11; 291.131; 291.14; 291.15, subdivisions 1 and 3; 291.215, subdivisions 2 and 3; 291.31, subdivisions 1 and 2; 291.32; 296.027; 296.16, subdivision 3; 296.17, subdivision 13; 296.18, subdivisions 3a and 7; 296.24; 297A.08; 297A.121; 297A.15, subdivision 3; 297A.20; 297A.26; 297A.27; 297A.275; 297A.29; 297A.30; 297A.31; 297A.32; 297A.33, subdivisions 1, 3, 4, and 5; 297A.34; 297A.35; 297A.39, subdivisions 1, 2, 2a, 3, 4, 5, 7, and 8; 297A.40; 297A.41; 297A.42; and 297A.44, subdivision 2.

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

Jennings, Reding, Schafer, Pauly and Bertram introduced:

H. F. No. 245, A bill for an act relating to environment; exempting generators of small amounts of hazardous waste from administrative regulation; amending Minnesota Statutes 1988, section 116.07, subdivision 2.

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

Heap and Abrams introduced:

H. F. No. 246, A bill for an act relating to crimes; abolishing the sentencing guidelines system of sentencing; authorizing sentencing offenders up to the maximum sentence provided by law for the offense of conviction; requiring sentencing most offenders who commit felonies to mandatory minimum sentences; requiring repeat felony offenders to be sentenced to extended terms of imprisonment; providing for sentencing offenders who commit "crimes against the person" against the elderly and handicapped to additional sentences; providing for life imprisonment without supervised release for persons convicted of murder in the first degree; increasing maximum sentences for persons convicted of criminal sexual conduct and criminal vehicular operation; requiring revocation of driver's licenses for persons convicted of crimes when intoxicated or chemically dependent; requiring mandatory treatment programs for persons convicted of violent sexual crimes and while intoxicated; requiring mandatory HIV antibody testing for all persons convicted of criminal sexual conduct; prescribing penalties; amending Minnesota Statutes 1988, sections 152.15, subdivision 1, and by adding subdivisions; 243.18; 244.02; 244.03; 244.04, subdivision 1; 244.05, subdivisions 4 and 5; 244.08, subdivision 1; 609.10; 609.11, subdivision 1; 609.12, subdivisions 1 and 3; 609.135, subdivision 1; 609.19; 609.195; 609.20; 609.205; 609.21, subdivisions 1 and 2; 609.215; 609.221; 609.222; 609.223; 609.2231; 609.224, subdivision 1; 609.23; 609.231; 609.235; 609.24; 609.245; 609.25, subdivision 2; 609.255, subdivisions 2 and 3; 609.265; 609.27, subdivision 2; 609.28; 609.322, by adding a subdivision; 609.342, subdivision 2; 609.343, subdivision 2; 609.344, subdivision 2; 609.345, subdivision 2; 609.365; 609.498, subdivisions 1a and 3; 609.50; 609.561; 609.562; 609.582, subdivisions 1, 2, 3, and 4; and 609.595, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 244 and 609; repealing Minnesota Statutes 1988, sections 244.09; 244.10, subdivisions 2 and 3; 609.11, subdivision 8; 609.342, subdivision 3; 609.343, subdivision 3; 609.344, subdivision 3; 609.345, subdivision 3; 609.346; 609.38; 609.582, subdivision 1a; and 609.583.

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

Bauerly, Tunheim; Hartle; Nelson, K., and Ozment introduced:

H. F. No. 247, A bill for an act relating to education; clarifying the referendum levy language; creating a conversion method; amending Minnesota Statutes 1988, section 124A.03.

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

Stanius, Beard, Jacobs, Macklin and Limmer introduced:

H. F. No. 248, A bill for an act relating to taxation; income; providing an exclusion for certain military pay; amending Minnesota Statutes 1988, section 290.01, subdivision 19b.

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

Quinn, McEachern, Tunheim, Gutknecht and Beard introduced:

H. F. No. 249, A bill for an act relating to education; imposing certain fiscal and accounting requirements on the state high school league; making league officers and employees public officers and employees for certain purposes; amending Minnesota Statutes 1988, sections 118.01, subdivision 7; 129.121, subdivision 2, and by adding a subdivision; and 609.415, subdivision 1.

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

Stanius, Beard, Pellow, Macklin and Weaver introduced:

H. F. No. 250, A bill for an act relating to taxation; income; repealing the subtraction for elderly and disabled and reinstating the pension exclusion; amending Minnesota Statutes 1988, sections 290.01, subdivision 19b, and by adding a subdivision; and 290.032, subdivision 2; repealing Minnesota Statutes 1988, sections 290.0802 and 424A.10.

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

Rest, Sarna, Kelly, Forsythe and Milbert introduced:

H. F. No. 251, A bill for an act relating to occupations and professions; regulating the practice of accountancy; creating standards of care; amending Minnesota Statutes 1988, sections 326.165;

326.20, subdivision 1; 326.211, subdivision 6; 326.212, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 326.

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

Bauerly, Sviggum, McEachern, Bertram and Steensma introduced:

H. F. No. 252, A bill for an act relating to taxation; clarifying authorization for county levy for providing funds for county agricultural societies; amending Minnesota Statutes 1988, section 38.27, subdivision 1; repealing Minnesota Statutes 1988, sections 38.17; 38.27, subdivision 3; and 38.28.

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

Bauerly, Weaver, Rest, McEachern and Ostrom introduced:

H. F. No. 253, A bill for an act relating to education; authorizing the use of health and safety revenue to improve handicapped accessibility to school district facilities; amending Minnesota Statutes 1988, section 124.83, subdivisions 1, 2, and 6.

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

Rest and Long introduced:

H. F. No. 254, A bill for an act relating to government finance; making property tax and levy limits technical corrections and clarifications; changing property tax administration; changing certain certification dates; changing certain effective dates; providing for local assessment of railroad operating property; adjusting certain debt limits to correspond to gross tax capacities; clarifying certain debt limitation computations; imposing and increasing tax filing and payment penalties; amending Minnesota Statutes 1988, sections 124.43, subdivision 1; 124A.03, subdivision 2; 256.018; 256.82, subdivision 1; 256.871, subdivision 6; 256B.041, subdivision 5; 270.071, subdivision 6; 270.072, subdivisions 2 and 3; 270.075, subdivision 2; 270.12, subdivision 2; 272.01, subdivision 2; 272.02, subdivision 1; 273.124, subdivisions 6 and 13; 273.13, subdivisions 22 and 24; 273.135, subdivisions 2 and 2a; 273.1391, subdivisions 2 and 2a; 273.1393; 273.1398, subdivisions 1 and 4; 274.01, subdivision 1; 275.28, subdivision 1; 275.51, subdivisions 3f, 3h, and 3i; 275.58, subdivision 1; 278.03; 278.05, subdivision 5; 279.01, subdi-

visions 1 and 3; 279.37, subdivision 7; 375.192, subdivision 2; 410.32; 412.301; 469.176, subdivision 4c; 469.177, subdivision 1a; and 475.53, subdivisions 1 and 4; 477A.013, subdivision 1; Laws 1988, chapter 719, article 8, section 37; and article 12, sections 29 and 30; proposing coding for new law in Minnesota Statutes, chapters 276; and 475; repealing Minnesota Statutes 1988, sections 270.80; 270.81; 270.82; 270.83; 270.84; 270.85; 270.86; 270.87; 270.88; 270.89; 275.57; 275.58, subdivision 4; 276.13; and 276.14; and Laws 1988, chapter 719, article 8, section 35.

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

Bertram, Kelly, Bauerly, Blatz and Gruenes introduced:

H. F. No. 255, A bill for an act relating to crimes; increasing the penalty for mutilating the American flag; amending Minnesota Statutes 1988, section 609.40, subdivision 2.

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

Trimble, Begich, Rukavina, McGuire and Johnson, V., introduced:

H. F. No. 256, A bill for an act relating to employment; regulating electronic monitoring of employees; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 181.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Williams, Simoneau, Burger, Limmer and Olson, K., introduced:

H. F. No. 257, A bill for an act relating to state government; eliminating the requirement that certain reports of occupational licensing boards be summarized; eliminating certain prohibitions against state purchase of insurance; regulating state sale of goods and services; amending Minnesota Statutes 1988, sections 15.39, subdivision 1; 16A.85, subdivision 2; 16B.06, subdivisions 1, 2, and 4; and 16B.405; repealing Minnesota Statutes 1988, sections 15.38; and 214.07, subdivision 2.

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

Bauerly, Weaver, Rest and McEachern introduced:

H. F. No. 258, A bill for an act relating to education; increasing the capital expenditure facilities revenue formula and the capital expenditure equipment revenue formula; amending Minnesota Statutes 1988, sections 124.243, subdivisions 2 and 4; and 124.244, subdivision 1.

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

Clark; Johnson, R., and Anderson, R., introduced:

H. F. No. 259, A bill for an act relating to crime; enhancing penalties for offenders who unlawfully distribute controlled substances on school premises, at bus stops, or enroute to or from school; making possession and use of dangerous weapons while involved in unlawful controlled substance transactions a separate crime; requiring the attorney general to draft and disseminate a plain language version of these laws; amending Minnesota Statutes 1988, section 152.15, subdivision 1, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 152.

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

Trimble, Begich, Rukavina and Hasskamp introduced:

H. F. No. 260, A bill for an act relating to employment; providing for employee review of personnel records; regulating use of personnel records; requiring removal or correction of false information; limiting records of nonemployment activities; imposing penalties; proposing coding for new law in Minnesota Statutes, chapter 181.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Quinn; Pelowski; Dorn; Johnson, R., and Gruenes introduced:

H. F. No. 261, A bill for an act relating to education; requiring colleges to provide a reasonable opportunity to graduate within four years; providing remedies for failure to do so; proposing coding for new law in Minnesota Statutes, chapter 135A.

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

Segal, Boo and Greenfield introduced:

H. F. No. 262, A bill for an act relating to human services; requiring recruitment of psychiatrists to work at regional treatment centers; establishing an office of medical director within the department of human services; requiring establishment of a regional treatment center medical staff; requiring an advisory committee; requiring a study; appropriating money; amending Minnesota Statutes 1988, section 246.015; proposing coding for new law in Minnesota Statutes, chapter 246.

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

Welle, Greenfield, Gutknecht, Brown and Gruenes introduced:

H. F. No. 263, A bill for an act relating to health; prohibiting certain licensed persons from using the title of physician; amending Minnesota Statutes 1988, section 147.09.

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

Olsen, S., introduced:

H. F. No. 264, A bill for an act relating to notaries public; increasing the period of time during which reappointments may be made; amending Minnesota Statutes 1988, section 359.02.

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

Lasley, Peterson, Conway, Hasskamp and Jefferson introduced:

H. F. No. 265, A bill for an act relating to health care; providing a program of affordable health care coverage for Minnesota residents; creating a health care access commission to implement and administer the program; establishing eligibility requirements and funding sources; modifying income eligibility requirements for medical assistance; imposing penalties; appropriating money; amending Minnesota Statutes 1988, section 256B.056, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 290; proposing coding for new law as Minnesota Statutes, chapter 62J.

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

Long and Welle introduced:

H. F. No. 266, A bill for an act relating to taxation; making technical corrections and clarifications and administrative changes to premium taxes, cigarette taxes; sales taxes, motor vehicle excise taxes, liquor taxes, marijuana and controlled substances taxes, lodging taxes, and the metropolitan solid waste landfill fee; providing for unmarked vehicles for use by the department of revenue; providing for use of radio equipment in the vehicles; providing for sales of unstamped tobacco products and liquor to Indian tribes; providing for cancellation of sales tax permits; exempting liquor used in law enforcement training; repealing obsolete or unnecessary terms or provisions; repealing express company, freight line company, and sleeping car company gross earnings taxes; repealing the Minnesota unfair cigarette sales act; amending Minnesota Statutes 1988, sections 16B.54, subdivision 2; 41A.09, subdivision 3; 69.54; 168.011, by adding a subdivision; 168.012, subdivision 1, and by adding a subdivision; 270.06; 297.04, subdivision 9; 297.041, subdivisions 1, 2, and 4; 297.06, subdivision 3; 297A.06; 297A.17; 297A.20; 297A.21, subdivision 4; 297A.25, subdivisions 11 and 16; 297B.01, subdivision 5; 297B.02, subdivision 1; 297C.02, subdivision 4; 297C.07; 299C.37, subdivision 1; 297D.13, by adding a subdivision; 469.190, subdivision 1; 473.843, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 297, 297A, 297C, and 297D; repealing Minnesota Statutes 1988, sections 295.01, subdivisions 4, 5, 6, 7, and 8; 295.15; 295.21; 295.23; 295.24; 295.25; 295.27; 295.29; 295.30; 295.31; 297A.19; 297A.253; 325D.30; 325D.31; 325D.32; 325D.33; 325D.34; 325D.35; 325D.36; 325D.37; 325D.38; 325D.39; 325D.40; 325D.42; and 477A.018.

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

Kostohryz, Steensma, Dempsey, Sviggum and Wenzel introduced:

H. F. No. 267, A bill for an act relating to the military; reducing from two years to one year the number of years the adjutant general of the Minnesota national guard is required to serve as a brigadier general before promotion to major general; amending Minnesota Statutes 1988, section 190.07.

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

Segal and Sarna introduced:

H. F. No. 268, A bill for an act relating to commerce; regulating burglar alarm franchises; amending Minnesota Statutes 1988, section 80C.30.

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

### GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Vanasek in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. No. 14 was recommended to pass.

H. F. No. 22 which it recommended to pass with the following amendment offered by Kelly:

Page 2, line 24, delete "sections 4 and 5" and insert "section 4"

Pages 3 to 4, delete section 5.

Renumber the remaining section

Page 4, line 9, delete "5" and insert "4"

On the motion of Wynia the report of the Committee of the Whole was adopted.

### MOTIONS AND RESOLUTIONS

Johnson, V., moved that the name of Uphus be added as an author on H. F. No. 19. The motion prevailed.

Onnen moved that the name of Olsen, S., be added as an author on H. F. No. 34. The motion prevailed.

Long moved that the names of Morrison and Wenzel be added as authors on H. F. No. 40. The motion prevailed.

Quinn moved that the name of Jacobs be added as an author on H. F. No. 45. The motion prevailed.

Sparby moved that the name of Olson, E., be added as an author on H. F. No. 123. The motion prevailed.

Dawkins moved that the name of Munger be added as an author on H. F. No. 136. The motion prevailed.

Lasley moved that the names of Johnson, R., and Blatz be added as authors on H. F. No. 154. The motion prevailed.

McLaughlin moved that the names of Rest; Olsen, S., and Skoglund be added as authors on H. F. No. 164. The motion prevailed.

#### ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 2:30 p.m., Monday, January 30, 1989. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Monday, January 30, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION—1989

## EIGHTH DAY

SAINT PAUL, MINNESOTA, MONDAY, JANUARY 30, 1989

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

Prayer was offered by the Reverend Ronald Jobe of the Trinity Lutheran Church, Elgin, Minnesota.

The roll was called and the following members were present:

Abrams	Girard	Lasley	Orenstein	Simoneau
Anderson, G.	Greenfield	Lieder	Osthoff	Skoglund
Anderson, R.	Gruenes	Limmer	Ostrom	Solberg
Battaglia	Gutknecht	Long	Otis	Sparby
Bauerly	Hartle	Lynch	Ozment	Stanius
Beard	Hasskamp	Macklin	Pappas	Steensma
Begich	Haukoos	Marsh	Pauly	Swiggum
Bennett	Heap	McDonald	Pellow	Swenson
Bertram	Henry	McEachern	Pelowski	Tjornhom
Bishop	Hugoson	McGuire	Peterson	Tompkins
Blatz	Jacobs	McLaughlin	Poppenhagen	Trimble
Boo	Janezich	McPherson	Price	Tunheim
Brown	Jaros	Milbert	Pugh	Uphus
Burger	Jefferson	Miller	Quinn	Valento
Carlson, L.	Jennings	Morrison	Redalen	Vellenga
Carruthers	Johnson, A.	Munger	Reding	Wagenius
Clark	Johnson, R.	Nelson, C.	Rest	Waltman
Conway	Johnson, V.	Nelson, K.	Richter	Weaver
Cooper	Kahn	Neuenschwander	Rodosovich	Welle
Dauner	Kalis	O'Connor	Rukavina	Wenzel
Dawkins	Kelly	Ogren	Sarna	Williams
Dempsey	Kelso	Olsen, S.	Schafer	Winter
Dille	Kinkel	Olson, E.	Scheid	Wynia
Dorn	Knickerbocker	Olson, K.	Schreiber	Spk. Vanasek
Frederick	Kostohryz	Omann	Seaberg	
Frerichs	Krueger	Onnen	Segal	

A quorum was present.

Carlson, D.; Forsythe; Himle; Murphy and Rice were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Johnson, R., 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

Pursuant to Rules of the House, printed copies of H. F. Nos. 95, 97 and 22 have been placed in the members' files.

## REPORTS OF STANDING COMMITTEES

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 43, A bill for an act relating to tax-forfeited lands; authorizing St. Louis county to sell certain tax-forfeited lands adjacent to public waters by private sale.

Reported the same back with the following amendments:

Page 1, line 8, delete "373.01" and insert "the public sale provisions of chapter 282"

Page 2, after line 8, insert:

"Sec. 2. [SALE OF TAX-FORFEITED LAND; ST. LOUIS COUNTY.]

Notwithstanding Minnesota Statutes, section 282.018, or the public sale provisions of chapter 282, St. Louis county may sell the property described in this section by private sale to Lawrence and Marjo Mencil, 1715 Maryland Avenue, Superior, Wisconsin.

The property that may be sold is located in St. Louis county and described as: an undivided one-half interest in Lot 23, Bass Lake Shores, that is platted as part of government Lot 8, Section 34, Township 55, North of Range 15, West of the fourth principal meridian.

An undivided one-half interest of Lot 23 was forfeited for nonpayment of delinquent taxes for the years 1950 and 1953. The Mencils own the other undivided one-half interest in Lot 23 and an adjacent parcel that includes a building partially located on Lot 23.

Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

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

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 113, A bill for an act relating to local government; granting powers to towns; setting certain procedures; amending Minnesota Statutes 1988, sections 366.01, subdivision 7; 471.193, subdivision 2; 471.345, subdivision 5a; and 505.09, subdivision 1; repealing Minnesota Statutes 1988, section 368.121.

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

The report was adopted.

## **SECOND READING OF HOUSE BILLS**

H. F. No. 113 was read for the second time.

## **INTRODUCTION AND FIRST READING OF HOUSE BILLS**

The following House Files were introduced:

Carruthers, Skoglund, Poppenhagen and Hartle introduced:

H. F. No. 269, A bill for an act relating to insurance; no-fault auto; clarifying eligibility for economic loss benefits; amending Minnesota Statutes 1988, sections 65B.51, subdivision 2; and 65B.64, subdivisions 2 and 3.

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

Stanuis, Milbert, Weaver, Scheid and Pellow introduced:

H. F. No. 270, A bill for an act relating to individual income taxation; allowing a dependent care credit equal to the federal credit; repealing Minnesota Statutes 1988, section 290.067, subdivisions 2 and 2a.

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

Stanisus, Weaver and Bennett introduced:

H. F. No. 271, A bill for an act relating to individual income taxation; allowing a subtraction for mutual fund dividends paid out of United States obligation interest; amending Minnesota Statutes 1988, section 290.01, subdivision 19b, and by adding a subdivision.

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

Stanisus, Bennett, Weaver and Scheid introduced:

H. F. No. 272, A bill for an act relating to taxation; individual income; imposing tax on certain deemed discharges of indebtedness income; amending Minnesota Statutes 1988, section 290.01, subdivisions 19a and 19b; proposing coding for new law in Minnesota Statutes, chapter 290.

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

Jefferson and Clark introduced:

H. F. No. 273, A bill for an act relating to housing; requiring notice to tenants of the intent to sell certain subsidized housing units; proposing coding for new law in Minnesota Statutes, chapter 504.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Jefferson introduced:

H. F. No. 274, A bill for an act relating to human services; providing that medical certification for general assistance benefits may be made by a licensed chiropractor; amending Minnesota Statutes 1988, section 256D.02, by adding a subdivision.

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

Jefferson and Clark introduced:

H. F. No. 275, A bill for an act relating to housing; requiring housing impact statements before displacement of certain low-income housing; requiring state government units to replace certain displaced low-income housing; providing for enforcement; proposing coding for new law in Minnesota Statutes, chapter 504.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Battaglia, Rukavina, Begich, Reding and Stanius introduced:

H. F. No. 276, A bill for an act relating to game and fish; restricting bear hunting guide licenses to residents only; amending Minnesota Statutes 1988, section 97B.431; repealing Minnesota Statutes 1988, section 97A.475, subdivision 17.

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

Battaglia, Rukavina, Begich, Reding and Stanius introduced:

H. F. No. 277, A bill for an act relating to game and fish; authorizing certain disabled hunters to take deer of either sex; amending Minnesota Statutes 1988, section 97B.301, by adding a subdivision.

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

Battaglia; Lieder; Cooper; Olson, K., and Johnson, V., introduced:

H. F. No. 278, A bill for an act relating to highways; specific service signs; changing rural agricultural business to rural commercial business, and specifying that the term includes certain types of businesses; amending Minnesota Statutes 1988, section 160.292, subdivisions 2 and 10; 160.293, subdivision 3; and 160.295, subdivision 5.

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

Blatz, Battaglia, Janezich, Carruthers and Henry introduced:

H. F. No. 279, A bill for an act relating to local government; permitting bank letters of credit in lieu of certain bonds; proposing coding for new law in Minnesota Statutes, chapter 574.

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

Gruenes; Olsen, S.; Henry; Tjornhom and Marsh introduced:

H. F. No. 280, A resolution memorializing the President and Congress of the United States to restore full funding to the Veterans Administration Medical Centers.

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

Price, Beard, Swenson and McPherson introduced:

H. F. No. 281, A bill for an act relating to state lands; allowing counties to recover costs related to tax-forfeited lands bordering public waters; appropriating money; amending Minnesota Statutes 1988, section 282.018.

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

Carruthers, Orenstein, Marsh, Swenson and Conway introduced:

H. F. No. 282, A bill for an act relating to crimes; sentencing; increasing the minimum parole eligibility date for persons serving a life sentence; permitting courts to sentence certain repeat offenders to longer periods of incarceration; increasing penalties for persons who commit assault in the first degree; amending Minnesota Statutes 1988, sections 244.05, subdivision 4; and 609.221; proposing coding for new law in Minnesota Statutes, chapter 609.

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

Williams, Dauner, Sparby, Lieder and Poppenhagen introduced:

H. F. No. 283, A bill for an act relating to veterans; requiring the department of administration to consider sites in other areas of northwestern Minnesota in addition to Fergus Falls for establishment of a veterans home; amending Laws 1988, chapter 689, article 1, section 2, subdivision 5.

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

Sparby; Cooper; Olson, E.; Dauner and Redalen introduced:

H. F. No. 284, A bill for an act relating to taxation; property; allowing agricultural homestead treatment in certain cases; amend-

ing Minnesota Statutes 1988, sections 273.124, subdivision 1, and by adding a subdivision; and 273.13, subdivision 23.

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

Valento, Lynch, Limmer, Girard and Weaver introduced:

H. F. No. 285, A bill for an act relating to taxation; income; providing a credit for home care of the elderly; amending Minnesota Statutes 1988, section 290.06, by adding a subdivision.

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

Stanisus, Steensma, McEachern, Macklin and Abrams introduced:

H. F. No. 286, A bill for an act relating to veterans; appropriating money for bronze star grave markers.

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

Kostohryz, Price, Osthoff, Swenson and Anderson, G., introduced:

H. F. No. 287, A bill for an act relating to outdoor recreation; appropriating funds for development of a certain segment of the Willard Munger State Trail.

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

Stanisus, Steensma, Kostohryz, Lynch and Girard introduced:

H. F. No. 288, A bill for an act relating to veterans; requiring cost-of-living increases in certain veterans benefits; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 197.

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

Stanisus; Beard; Carlson, L.; Lynch and Girard introduced:

H. F. No. 289, A bill for an act relating to veterans; directing the establishment of three new regional veterans homes; appropriating

money; proposing coding for new law in Minnesota Statutes, chapter 198.

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

Dempsey, Jennings, Himle and Frederick introduced:

H. F. No. 290, A bill for an act relating to taxation; sales and use; repealing accelerated payment of June liability; amending Minnesota Statutes 1988, section 297A.27, subdivision 1; repealing Minnesota Statutes 1988, section 297A.275.

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

Solberg; Johnson, V.; Nelson, C.; Pelowski and Anderson, R., introduced:

H. F. No. 291, A bill for an act relating to human services; extending the date for phasing out community work experience program; amending Minnesota Statutes 1988, section 256.737, subdivision 1.

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

Schafer, McEachern, Tunheim, Ozment and Hugoson introduced:

H. F. No. 292, A bill for an act relating to education; establishing a categorical program for the gifted and talented; proposing coding for new law in Minnesota Statutes, chapter 124.

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

Welle, Scheid, Dauner, Dempsey and Schreiber introduced:

H. F. No. 293, A bill for an act relating to taxation; sales and use; exempting materials used and consumed in the production of certain taxable services; amending Minnesota Statutes 1988, section 297A.25, subdivision 9.

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

Heap; Carlson, L.; Olsen, S.; Morrison and Poppenhagen introduced:

H. F. No. 294, A bill for an act relating to education; establishing a task force to study financial aid; appropriating money.

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

Sviggum, Reding, Price, Haukoos and Kelly introduced:

H. F. No. 295, A bill for an act relating to education; providing immunity from suit for teachers in certain circumstances; amending Minnesota Statutes 1988, section 127.03, by adding a subdivision.

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

Kinkel introduced:

H. F. No. 296, A bill for an act relating to real property; changing effective dates for provisions relating to validation of foreclosure sales; amending Minnesota Statutes 1988, section 582.27.

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

Stanius, Steensma, Abrams, Macklin and McEachern introduced:

H. F. No. 297, A bill for an act relating to veterans; clarifying the treatment of certain settlement payments for the purposes of certain assistance programs and benefits; proposing coding for new law in Minnesota Statutes, chapter 196.

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

Bauerly introduced:

H. F. No. 298, A bill for an act relating to charitable organizations; regulating charitable solicitations and professional fund raisers; excluding certain religious organizations from registration; requiring a bond for professional fund raisers who have access to contributions; modifying disclosure requirements; authorizing the district court to redress violations of law; amending Minnesota Statutes 1988, sections 309.515, subdivision 2; 309.531, subdivision 2; 309.556; and 309.57, subdivision 1.

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

Carruthers, Simoneau, Sarna and Kinkel introduced:

H. F. No. 299, A bill for an act relating to occupations and professions; requiring the licensing of interior designers; defining the practice of interior design; providing for administration of licensing requirements; amending Minnesota Statutes 1988, sections 214.01, subdivision 3; 214.04, subdivision 3; 326.02, subdivision 1, and by adding a subdivision; 326.03, subdivision 1; 326.031; 326.04; 326.05; 326.06; 326.07; 326.08, subdivision 2; 326.09; 326.10, subdivisions 1, 2, and 2a; 326.11, subdivision 1; 326.12; 326.13; and 326.14.

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

Clark and Greenfield introduced:

H. F. No. 300, A bill for an act relating to occupational safety and health; increasing certain penalties; proposing changes to the employee right-to-know act of 1984; amending Minnesota Statutes 1988, sections 182.651, subdivisions 7, 14, 15, and by adding a subdivision; 182.653, subdivisions 4b, 4c, and 4f; and 182.669, subdivision 1.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Wenzel introduced:

H. F. No. 301, A bill for an act relating to public employees; providing that public safety dispatchers are essential employees; amending Minnesota Statutes 1988, section 179A.03, subdivision 7.

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

Clark, Dawkins, Wagenius and Kelly introduced:

H. F. No. 302, A bill for an act relating to public nuisances; expanding the nuisance law to include prior convictions for certain drug and liquor offenses; amending Minnesota Statutes 1988, section 617.81, subdivision 2.

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

Skoglund introduced:

H. F. No. 303, A bill for an act relating to health; requiring a death certificate to contain information about the person's tobacco use; amending Minnesota Statutes 1988, section 144.221, subdivision 2.

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

Gruenes introduced:

H. F. No. 304, A bill for an act relating to education; extending shared time aid to cover pupils enrolling at eligible institutions under the post-secondary enrollment options act; amending Minnesota Statutes 1988, section 124A.034, subdivisions 1 and 2.

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

Gruenes, Dorn and Gutknecht introduced:

H. F. No. 305, A bill for an act relating to human services; providing that nursing home reimbursement rates for cities of the second class shall equal the rate for the metropolitan area; amending Minnesota Statutes 1988, section 256B.431, subdivision 2b.

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

Pugh, Dempsey, Kelly, Bishop and Orenstein introduced:

H. F. No. 306, A bill for an act relating to trusts; providing for their creation, validity, administration, and supervision; providing for the sale of real property; relating to legal estates in real and personal property; relating to estates; amending Minnesota Statutes 1988, sections 500.17, subdivision 2; and 502.73; proposing coding for new law as Minnesota Statutes, chapter 501B; proposing coding for new law in Minnesota Statutes, chapter 525; repealing Minnesota Statutes 1988, sections 500.13; 501.01; 501.02; 501.03; 501.04; 501.05; 501.06; 501.07; 501.08; 501.09; 501.10; 501.11; 501.115; 501.12; 501.125; 501.13; 501.14; 501.15; 501.155; 501.16; 501.17; 501.18; 501.19; 501.195; 501.20; 501.21; 501.211; 501.22; 501.23; 501.24; 501.25; 501.26; 501.27; 501.28; 501.29; 501.30; 501.31; 501.32; 501.33; 501.34; 501.35; 501.351; 501.36; 501.37; 501.38; 501.39;

501.40; 501.41; 501.42; 501.43; 501.44; 501.45; 501.46; 501.461; 501.48; 501.49; 501.50; 501.51; 501.52; 501.53; 501.54; 501.55; 501.56; 501.57; 501.58; 501.59; 501.60; 501.61; 501.62; 501.63; 501.64; 501.65; 501.66; 501.67; 501.71; 501.72; 501.73; 501.74; 501.75; 501.76; 501.77; 501.78; 501.79; 501.80; 501.805; 501.81; 501A.01; 501A.02; 501A.03; 501A.04; 501A.05; 501A.06; and 501A.07.

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

Conway, Frederick, Vanasek, Schreiber and Wenzel introduced:

H. F. No. 307, A bill for an act relating to agriculture; appropriating funds for the agricultural interpretive center.

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

Onnen, Ogren, Limmer, Orenstein and Gutknecht introduced:

H. F. No. 308, A bill for an act relating to taxation; income; increasing the deduction for health insurance for self-employed individuals; amending Minnesota Statutes 1988, section 290.01, subdivision 19b.

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

Stanius, Uphus, Omann, Macklin and Gruenes introduced:

H. F. No. 309, A bill for an act relating to health; changing eligibility requirements for the catastrophic health expense protection program; requiring the commissioner of commerce to administer the program; appropriating money; amending Minnesota Statutes 1988, sections 62E.52, subdivisions 2, 3, 7, and by adding a subdivision; 62E.53, subdivisions 1, 2, 3, and 4; and 62E.531, subdivisions 1 and 3.

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

Valento, Schafer, Pellow, Stanius and Macklin introduced:

H. F. No. 310, A bill for an act relating to taxation; sales and use; repealing accelerated payment of June liability; amending Minne-

sota Statutes 1988, section 297A.27, subdivision 1; repealing Minnesota Statutes 1988, section 297A.275.

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

Dempsey, Girard, Omann, Miller and Haukoos introduced:

H. F. No. 311, A bill for an act relating to taxation; property; extending the homestead and agricultural credit to taxes payable after 1989; abolishing transition aid; repealing increases in income maintenance payments; amending Minnesota Statutes 1988, sections 124.155, subdivision 2; 124.2131, subdivision 3; 124.2139; 124A.02, subdivision 3a; 256.01, subdivision 2; 256.72; 256.81; 256.82, subdivision 1; 256.863; 256.871, subdivision 6; 256.935, subdivision 1; 256.991; 256B.041, subdivisions 5 and 7; 256B.05, subdivision 1; 256B.091, subdivision 8; 256B.15; 256B.19, subdivisions 1 and 2; 256D.03, subdivisions 2 and 6; 256D.04; 256D.36, subdivision 1; 256G.01, subdivision 3; 256G.02, subdivision 4; 256G.04, subdivision 1; 256G.05; 256G.07; 256G.10; 256G.11; 273.123, subdivisions 4 and 5; 273.124, subdivisions 11 and 13; 273.13, subdivisions 22 and 23; 273.132, subdivisions 1, 2, and 5; 273.135, subdivision 2; 273.1391, subdivision 2; 273.1392; 273.1398, subdivisions 1, 3, and 6; 273.165, subdivision 2; 275.065, subdivision 2; 275.07, subdivision 1; 275.08, subdivisions 1a and 1b; 275.50, subdivision 5; 275.51, subdivisions 3f and 3h; 276.04, subdivision 2; 290A.04, subdivision 2; 393.07, subdivisions 2 and 10; 473.446, subdivision 1; 473F.02, subdivision 23; 473F.05; 473F.06; 473F.07, subdivisions 1, 4, and 5; 473F.08, subdivisions 1, 2, 3a, 4, 5, 6, and 10; 473F.10; 477A.011, subdivisions 15 and 20; and 477A.013, subdivision 3; Laws 1988, chapter 719, article 5, sections 81 and 84; repealing Minnesota Statutes 1988, sections 256.017; 256.018; 256.019; 273.13, subdivision 21a; 273.135, subdivision 2a; 273.1391, subdivision 2a; 273.1398, subdivisions 2 and 5; 275.07, subdivision 3; 275.08, subdivision 1c; 290A.04, subdivision 2b; and Laws 1988, chapter 719, article 8, sections 32, 33, 34, 35, and 36.

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

Valento, Henry and Limmer introduced:

H. F. No. 312, A bill for an act relating to taxation; property; extending the homestead and agricultural credit to taxes payable after 1989; abolishing transition aid; repealing increases in income maintenance payments; amending Minnesota Statutes 1988, sections 124.155, subdivision 2; 124.2131, subdivision 3; 124.2139; 124A.02, subdivision 3a; 256.01, subdivision 2; 256.72; 256.81; 256.82, subdivision 1; 256.863; 256.871, subdivision 6; 256.935,

subdivision 1; 256.991; 256B.041, subdivisions 5 and 7; 256B.05, subdivision 1; 256B.091, subdivision 8; 256B.15; 256B.19, subdivisions 1 and 2; 256D.03, subdivisions 2 and 6; 256D.04; 256D.36, subdivision 1; 256G.01, subdivision 3; 256G.02, subdivision 4; 256G.04, subdivision 1; 256G.05; 256G.07; 256G.10; 256G.11; 273.123, subdivisions 4 and 5; 273.124, subdivisions 11 and 13; 273.13, subdivisions 22 and 23; 273.132, subdivisions 1, 2, and 5; 273.135, subdivision 2; 273.1391, subdivision 2; 273.1392; 273.1398, subdivisions 1, 3, and 6; 273.165, subdivision 2; 275.065, subdivision 2; 275.07, subdivision 1; 275.08, subdivisions 1a and 1b; 275.50, subdivision 5; 275.51, subdivisions 3f and 3h; 276.04, subdivision 2; 290A.04, subdivision 2; 393.07, subdivisions 2 and 10; 473.446, subdivision 1; 473F.02, subdivision 23; 473F.05; 473F.06; 473F.07, subdivisions 1, 4, and 5; 473F.08, subdivisions 1, 2, 3a, 4, 5, 6, and 10; 473F.10; 477A.011, subdivisions 15 and 20; and 477A.013, subdivision 3; Laws 1988, chapter 719, article 5, sections 81 and 84; repealing Minnesota Statutes 1988, sections 256.017; 256.018; 256.019; 273.13, subdivision 21a; 273.135, subdivision 2a; 273.1391, subdivision 2a; 273.1398, subdivisions 2 and 5; 275.07, subdivision 3; 275.08, subdivision 1c; 290A.04, subdivision 2b; and Laws 1988, chapter 719, article 8, sections 32, 33, 34, 35, and 36.

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

Blatz, Otis, Schreiber, Kelly and Vanasek introduced:

H. F. No. 313, A bill for an act relating to taxation; providing for payment of refunds to certain purchasers of energy conservation equipment; appropriating money.

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

Swenson, Carruthers, Vellenga, Wagenius and Kelly introduced:

H. F. No. 314, A bill for an act relating to obscenity; providing civil and equitable remedies against owners of businesses in which obscene materials or performances are sold or exhibited; proposing coding for new law in Minnesota Statutes, chapter 617.

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

## MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

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

H. F. No. 40, A bill for an act relating to the financing of local government; providing for computation of debt limits as a percentage of market value; adjusting other debt limits for the conversion to tax capacities; adjusting disparity reduction aid in certain cases; making technical corrections in 1988 tax increment financing law and providing an exception to one of its provisions; amending Minnesota Statutes 1988, sections 124.43, subdivision 1; 275.08, by adding a subdivision; 366.095, subdivision 1; 410.32; 412.301; 469.177, subdivision 1a; 475.53, subdivisions 1, 5, and by adding a subdivision; 641.24; Laws 1988, chapter 719, article 12, section 30.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CALENDAR

H. F. No. 14, A bill for an act relating to crimes; restitution; revising current procedures relating to the ordering and collection of restitution; amending Minnesota Statutes 1988, sections 260.185, subdivisions 1 and 3a; 609.135, subdivision 1a; 611A.04, subdivisions 1, 2, and 3; and 611A.045; proposing coding for new law in Minnesota Statutes, chapter 611A.

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

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

Those who voted in the affirmative were:

Abrams	Brown	Frederick	Jacobs	Kinkel
Anderson, G.	Burger	Frerichs	Janezich	Knickerbocker
Anderson, R.	Carlson, L.	Girard	Jaros	Kostohryz
Battaglia	Carruthers	Greenfield	Jefferson	Krueger
Bauerly	Clark	Gruenes	Jennings	Lasley
Beard	Conway	Gutknecht	Johnson, A.	Lieder
Begich	Cooper	Hartle	Johnson, R.	Limmer
Bennett	Dauner	Hasskamp	Johnson, V.	Long
Bertram	Dawkins	Haukoos	Kahn	Lynch
Bishop	Dempsey	Heap	Kalis	Macklin
Blatz	Dille	Henry	Kelly	Marsh
Boo	Dorn	Hugoson	Kelso	McDonald

McEachern	Olson, E.	Price	Segal	Valento
McGuire	Olson, K.	Pugh	Simoneau	Vellenga
McLaughlin	Omman	Quinn	Skoglund	Wagenius
McPherson	Onnen	Redalen	Solberg	Waltman
Milbert	Orenstein	Reding	Sparby	Weaver
Miller	Osthoff	Rest	Stanius	Welle
Morrison	Ostrom	Richter	Steensma	Wenzel
Munger	Otis	Rodosovich	Sviggum	Winter
Nelson, C.	Ozment	Rukavina	Swenson	Wynia
Nelson, K.	Pappas	Sarna	Tjornhom	Spk. Vanasek
Neuenschwander	Pellow	Schafer	Tompkins	
O'Connor	Pelowski	Scheid	Trimble	
Ogren	Peterson	Schreiber	Tunheim	
Olsen, S.	Poppenhagen	Seaberg	Uphus	

The bill was passed and its title agreed to.

H. F. No. 22, A bill for an act relating to crimes; prohibiting unauthorized access to computers; imposing penalties; amending Minnesota Statutes 1988, sections 609.531, subdivision 1; and 609.87, subdivision 1, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 609.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Kostohryz	Omman	Schreiber
Anderson, G.	Girard	Krueger	Onnen	Seaberg
Anderson, R.	Greenfield	Lasley	Orenstein	Segal
Battaglia	Gruenes	Lieder	Osthoff	Simoneau
Bauerly	Gutknecht	Limmer	Ostrom	Skoglund
Beard	Hartle	Long	Otis	Solberg
Begich	Hasskamp	Lynch	Ozment	Sparby
Bennett	Haukoos	Macklin	Pappas	Stanius
Bertram	Heap	Marsh	Pauly	Steensma
Bishop	Henry	McDonald	Pellow	Sviggum
Blatz	Hugoson	McEachern	Pelowski	Swenson
Boo	Jacobs	McGuire	Peterson	Tjornhom
Brown	Janezich	McLaughlin	Poppenhagen	Tompkins
Burger	Jaros	McPherson	Price	Trimble
Carlson, L.	Jefferson	Milbert	Pugh	Tunheim
Carruthers	Jennings	Miller	Quinn	Uphus
Clark	Johnson, A.	Morrison	Redalen	Valento
Conway	Johnson, R.	Nelson, C.	Reding	Vellenga
Cooper	Johnson, V.	Nelson, K.	Rest	Wagenius
Dauner	Kahn	Neuenschwander	Richter	Waltman
Dawkins	Kalis	O'Connor	Rodosovich	Weaver
Dempsey	Kelly	Ogren	Rukavina	Welle
Dille	Kelso	Olsen, S.	Sarna	Wenzel
Dorn	Kinkel	Olson, E.	Schafer	Williams
Frederick	Knickerbocker	Olson, K.	Scheid	Winter
				Wynia
				Spk. Vanasek

The bill was passed and its title agreed to.

**GENERAL ORDERS**

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Vanasek in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

**REPORT OF THE COMMITTEE OF THE WHOLE**

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 27, 95 and 97 were recommended to pass.

On the motion of Wynia the report of the Committee of the Whole was adopted.

**MOTIONS AND RESOLUTIONS**

Olsen, S., moved that the name of Frederick be added as an author on H. F. No. 20. The motion prevailed.

Johnson, V., moved that the name of Ozment be added as an author on H. F. No. 23. The motion prevailed.

Johnson, V., moved that the name of Frederick be added as an author on H. F. No. 25. The motion prevailed.

Johnson, A., moved that the name of Jefferson be stricken and the name of Milbert be added as an author on H. F. No. 88. The motion prevailed.

Omann moved that the name of Frederick be added as an author on H. F. No. 109. The motion prevailed.

Lasley moved that the name of Henry be added as an author on H. F. No. 166. The motion prevailed.

Pappas moved that the name of Clark be added as an author on H. F. No. 174. The motion prevailed.

Pappas moved that the names of Clark and McLaughlin be added as authors on H. F. No. 222. The motion prevailed.

Dempsey moved that the name of McDonald be added as an author on H. F. No. 225. The motion prevailed.

Heap moved that the name of Olsen, S., be added as an author on H. F. No. 246. The motion prevailed.

McLaughlin moved that H. F. No. 42 be recalled from the Committee on Economic Development and be re-referred to the Committee on Governmental Operations. The motion prevailed.

Rodosovich introduced:

House Resolution No. 2, A house resolution congratulating the Faribault Danceline for winning the 1989 Winter Carnival Dance-line Class A Competition.

The resolution was referred to the Committee on Rules and Legislative Administration.

#### ANNOUNCEMENT BY THE SPEAKER

In order to provide greater access to the public, to provide for a more balanced workload throughout the legislative session, and to instill a more orderly process, especially later in the session, the following policies will be in effect during the 1989-90 legislative sessions:

#### (1) Notice of House Committee Hearings.

(a) For committees meeting on Monday of a forthcoming week, the deadline for House committee schedules for that week shall be at the end of the working day on Wednesday, so that weekly committee schedules are available to the public on Thursday after session. For all other committees, the current Thursday noon deadline shall remain in effect.

(b) A toll-free telephone service shall be established so that the public can be provided with up-to-date information on forthcoming committee activities by way of a recorded message.

#### (2) Time Limits to Conduct Official House Business.

(a) If extended hearings are needed by a committee beyond the regularly allotted time, such hearings should conclude by 11:00 p.m. on the day of the extended hearings, except that this policy shall not apply on the last meeting day prior to the deadlines specified in Rule 9.3.

(b) As far as practicable, House floor sessions shall conclude no later than 11:00 p.m.; this limit shall not apply on the last Saturday and Monday that the House can legally conduct business.

(3) Disposition of House Floor Business.

(a) Every effort will be made to complete consideration of General Orders in a timely manner, including designation of Special Orders earlier than in prior years.

(b) Legislation should not be sent to the floor if work on it is incomplete. The proper place for such work is the committee. If excessive time on the House floor is spent perfecting a bill, it shall be sent back to committee for further consideration.

(4) Joint Hearings to Conduct Business.

Where practicable, committee chairs should make every effort to schedule joint hearings with other House policy committees or Senate counterpart committees when it is anticipated that identical presentations are likely on bills or other matters before both committees.

(5) Conference Committees.

(a) House conferees are strongly encouraged to not conduct conference committee business beyond 12:00 midnight.

(b) House members chairing conference committees shall ensure that proper action is taken to officially adjourn each meeting, and that a time certain for the next meeting is determined prior to adjournment.

(c) House Rules and Joint Rules relating to committees and conference committees being open to the public shall be adhered to.

(6) Services to the Public.

(a) Additional telephones shall be installed in the State Office Building to accommodate the public's increased needs for such service during the legislative session.

(b) A copy service shall be made available for a fee to the public in the basement lobby of the State Office Building.

ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 2:30 p.m., Thursday, February 2, 1989. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Thursday, February 2, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION—1989

## NINTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, FEBRUARY 2, 1989

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

Prayer was offered by Pastor Joseph Everson of Hope Lutheran Church, St. Paul, Minnesota.

The roll was called and the following members were present:

Abrams	Girard	Krueger	Onnen	Segal
Anderson, G.	Greenfield	Lasley	Orenstein	Simoneau
Anderson, R.	Gruenes	Lieder	Osthoff	Skoglund
Battaglia	Gutknecht	Limmer	Ostrom	Solberg
Bauerly	Hartle	Long	Otis	Sparby
Beard	Hasskamp	Lynch	Ozment	Stanius
Begich	Haukoos	Macklin	Pappas	Steensma
Bennett	Heap	Marsh	Pauly	Swiggum
Bertram	Henry	McDonald	Pellow	Swenson
Bishop	Himle	McEachern	Pelowski	Tjornhom
Blatz	Hugoson	McGuire	Peterson	Tompkins
Boo	Jacobs	McLaughlin	Poppenhagen	Trimble
Burger	Janezich	McPherson	Price	Tunheim
Carlson, D.	Jaros	Milbert	Pugh	Uphus
Carlson, L.	Jefferson	Miller	Quinn	Valento
Carruthers	Jennings	Morrison	Redalen	Vellenga
Clark	Johnson, A.	Munger	Reding	Wagenius
Conway	Johnson, R.	Nelson, C.	Rest	Waltman
Cooper	Johnson, V.	Nelson, K.	Richter	Weaver
Dauner	Kahn	Neuenschwander	Rodosovich	Welle
Dawkins	Kalis	O'Connor	Rukavina	Wenzel
Dempsey	Kelly	Ogren	Sarna	Williams
Dille	Kelso	Olsen, S.	Schafer	Winter
Dorn	Kinkel	Olson, E.	Scheid	Wynia
Frederick	Knickrbocker	Olson, K.	Schreiber	Spk. Vanasek
Frerichs	Kostohryz	Omann	Seaberg	

A quorum was present.

Brown, Forsythe, Murphy and Rice were excused.

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

Pursuant to Rules of the House, printed copies of H. F. No. 113 have been placed in the members' files.

**PETITIONS AND COMMUNICATIONS**

The following communications were received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
ST. PAUL 55155

January 30, 1989

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

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 40, relating to the financing of local government; providing for computation of debt limits as a percentage of market value; adjusting other debt limits for the conversion to tax capacities; adjusting disparity reduction aid in certain cases; making technical corrections in 1988 tax increment financing law and providing an exception to one of its provisions.

Sincerely,

RUDY PERPICH  
Governor

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

January 31, 1989

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

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1989 Session of the State Legislature have been received from

the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Date Approved 1989</i>	<i>Date Filed 1989</i>
83	40	1 Resolution No. 1	15:37-January 30 09:45-January 27	January 30 January 30

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

### REPORTS OF STANDING COMMITTEES

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 29, A bill for an act relating to examiners of title; increasing number of deputy examiners of title in fourth judicial district; amending Minnesota Statutes 1988, section 508.12, subdivision 3.

Reported the same back with the following amendments:

Page 1, line 11, strike "three" and insert "five"

Amend the title as follows:

Page 1, line 3, after "in" insert "second and" and delete "district" and insert "districts"

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

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 122, A bill for an act relating to crimes; providing for an exception to certain activities prohibited on buses; amending Minnesota Statutes 1988, section 609.855, subdivision 3.

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

The report was adopted.

**SECOND READING OF HOUSE BILLS**

H. F. Nos. 29 and 122 were read for the second time.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

Vellenga, Bishop, Kelly, Rest and Blatz introduced:

H. F. No. 315, A bill for an act relating to crimes; criminal sexual conduct; providing intensive sex offender treatment programs within the correctional system; providing for specialized probation and corrections agents to supervise released sex offenders; requiring the collection of data on the treatment and recidivism rates of convicted sex offenders; extending the jurisdiction of the juvenile court over sex offenders until their 21st birthday; providing a centralized reporting system for juvenile felony offenders; requiring the bureau of criminal apprehension to develop uniform procedures for the collection and analysis of DNA typing evidence; providing for the admissibility of such evidence; increasing penalties for criminal sexual conduct offenses; permitting courts to sentence dangerous or patterned sex offenders to longer periods of incarceration and supervision; creating a legislative commission to study the child protection system; appropriating money for the development of a DNA profiling laboratory and for a public information campaign against sexual violence; amending Minnesota Statutes 1988, sections 260.161, subdivision 1; 260.181, subdivision 4; 260.185, subdivision 1; 609.342, subdivision 2; 609.343, subdivision 2; 609.344, subdivision 2; and 609.345, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 241; 242; 299C; 609; and 634.

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

Vellenga, by request, introduced:

H. F. No. 316, A bill for an act relating to retirement; former employees of the bureau of health of the city of Saint Paul; providing for a refund of excess employee contributions to the bureau of health pension fund.

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

Clark introduced:

H. F. No. 317, A bill for an act relating to highways; requiring local approval for certain property takings for interstate highway projects; amending Minnesota Statutes 1988, section 161.17, by adding a subdivision.

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

Ozment, Miller, Macklin, Blatz and Kelly introduced:

H. F. No. 318, A bill for an act relating to judicial commitment; requiring the commissioner of corrections to screen criminal sexual conduct offenders before their release from prison to determine if they are psychopathic personalities; requiring the institution of proceedings under the psychopathic personality statute when indicated by the screening examination; amending Minnesota Statutes 1988, section 526.10; proposing coding for new law in Minnesota Statutes, chapter 244.

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

Olsen, S.; Henry; Lynch; Macklin and Limmer introduced:

H. F. No. 319, A bill for an act relating to human services; expanding eligibility for child care sliding fee program; providing for reimbursement of child care provider accreditation fees; creating an office of child care providers assistance in the department of human services; increasing the number of certain licensing inspections; requiring a privately operated child care in the capitol complex; establishing state policy for certain inspections; exempting construction materials and equipment from sales tax; creating a tuition tax credit; creating an employer tax credit for child care operations; appropriating money; amending Minnesota Statutes 1988, sections 16B.04, subdivision 2; 16B.39, by adding a subdivision; 245A.04, by adding a subdivision; 245A.14, by adding a subdivision; 256H.10, subdivisions 1 and 2, and by adding a subdivision; 290.06, by adding subdivisions; and 297A.25, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 245.

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

Milbert, Pugh, Blatz and Seaberg introduced:

H. F. No. 320, A bill for an act relating to civil commitment;

requiring the court to determine competency to provide informed consent to certain medication at the commitment hearing; amending Minnesota Statutes 1988, sections 253B.03, subdivisions 6 and 6a; 253B.07, subdivision 5; and 253B.08, by adding a subdivision.

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

Begich, Pelowski, O'Connor, Milbert and Frederick introduced:

H. F. No. 321, A bill for an act relating to consumer protection; regulating new motor vehicle sales; limiting a dealer's liability due to the manufacturer's failure to repair, refund, or replace nonconforming vehicles; amending Minnesota Statutes 1988, section 325F.665, by adding a subdivision.

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

Begich, Pelowski, O'Connor, Heap and Janezich introduced:

H. F. No. 322, A bill for an act relating to consumer protection; regulating the sale of used motor vehicles; modifying certain definitions; amending Minnesota Statutes 1988, section 325F.662, subdivisions 1 and 3.

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

Scheid; O'Connor; Anderson, R.; Milbert and Pelowski introduced:

H. F. No. 323, A bill for an act relating to commerce; regulating motor vehicle sales and distribution; determining reasonable compensation for warranty services performed by dealers; amending Minnesota Statutes 1988, section 80E.04, subdivision 2.

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

Krueger introduced:

H. F. No. 324, A bill for an act relating to state lands; authorizing sale of certain tax-forfeited land that borders public water in Todd county.

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

Olsen, S.; McPherson; Swenson; Macklin and Weaver introduced:

H. F. No. 325, A bill for an act relating to child abuse reporting; defining "physical abuse" to include use of a controlled substance by a pregnant woman; amending Minnesota Statutes 1988, section 626.556, subdivision 2.

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

Ogren, Onnen, Sarna, Gruenes and Greenfield introduced:

H. F. No. 326, A bill for an act relating to human services; requiring nursing homes to fully participate in Medicare for medical assistance participation; defining full participation; amending Minnesota Statutes 1988, section 256B.48, subdivision 6.

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

Jacobs, Morrison, Jennings, Osthoff and Quinn introduced:

H. F. No. 327, A bill for an act relating to natural gas; repealing the prohibition on the use of natural gas outdoor lighting; repealing Minnesota Statutes 1988, section 216C.19, subdivisions 5, 6, and 7.

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

Jacobs, Begich, Osthoff, Bennett and Quinn introduced:

H. F. No. 328, A bill for an act relating to utilities; providing for the establishment of flexible electric utility rates for certain customers subject to effective competition; proposing coding for new law in Minnesota Statutes, chapter 216B.

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

Olsen, S.; Henry; Swenson; Tompkins and Weaver introduced:

H. F. No. 329, A bill for an act relating to education; restoring earlier levels of salary aid for special education teachers; appropriating money; amending Minnesota Statutes 1988, section 124.32, subdivision 1b.

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

Orenstein, Vellenga, Bishop and Kelly introduced:

H. F. No. 330, A bill for an act relating to crimes; prohibiting the ownership, possession, or operation of semi-automatic assault rifles except under certain circumstances; amending Minnesota Statutes 1988, section 609.67, subdivisions 1, 2, 3, and 4.

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

Price, Beard, Trimble and Welle introduced:

H. F. No. 331, A bill for an act relating to employment; limiting the employment hours of certain minors during the school year; amending Minnesota Statutes 1988, sections 181A.04, by adding a subdivision; and 181A.12, subdivision 1.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Stanisus introduced:

H. F. No. 332, A bill for an act relating to taxation; income; providing that amounts levied for certain reserve funds are a special levy; amending Minnesota Statutes 1988, section 275.50, subdivision 5.

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

Begich, Munger, Battaglia, Reding and Carlson, D., introduced:

H. F. No. 333, A bill for an act relating to recreational vehicles; regulating all-terrain vehicles; setting fees; imposing a penalty; amending Minnesota Statutes 1988, sections 84.92, by adding subdivisions; 84.922, subdivisions 1 and 5; 84.924, subdivision 3; 84.9256, subdivisions 1, 2, and 3; 84.928, subdivisions 1, 2, and 6; and 84.929; proposing coding for new law in Minnesota Statutes, chapter 84; repealing Minnesota Statutes 1988, sections 84.922, subdivision 8; 84.925, subdivision 2; and 84.928, subdivision 7.

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

Simoneau introduced:

H. F. No. 334, A bill for an act relating to taxation; individual income; modifying computation of the dependent care credit; indexing the income offset for inflation; amending Minnesota Statutes 1988, section 290.067, subdivision 2, and by adding a subdivision.

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

Simoneau introduced:

H. F. No. 335, A bill for an act relating to human services; increasing the eligibility limits for sliding fee child care services; appropriating money; amending Minnesota Statutes 1988, section 256H.10, subdivision 2.

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

Simoneau introduced:

H. F. No. 336, A bill for an act relating to human services; appropriating money for grants for child care services.

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

Jennings, Conway, Sviggum and Vellenga introduced:

H. F. No. 337, A bill for an act relating to health; including anabolic steroids in the list of controlled substances; amending Minnesota Statutes 1988, section 152.02, subdivision 5.

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

Tunheim; Lieder; Olson, E., and Hartle introduced:

H. F. No. 338, A bill for an act relating to taxation; property; allowing agricultural homestead treatment in certain cases; amending Minnesota Statutes 1988, sections 273.124, subdivision 1, and by adding a subdivision; and 273.13, subdivision 23.

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

Bauerly, Wenzel and Bertram introduced:

H. F. No. 339, A bill for an act relating to education; making nonpublic school pupils eligible under the post-secondary enrollment options act; appropriating money; amending Minnesota Statutes 1988, section 123.3514.

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

Bauerly, McEachern and Bertram introduced:

H. F. No. 340, A bill for an act relating to charitable gambling; making sales of pull-tabs and tipboards to exempt organizations exempt from state tax; amending Minnesota Statutes 1988, section 349.212, subdivision 4.

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

Trimble; Johnson, R.; Redalen; McGuire and Marsh introduced:

H. F. No. 341, A bill for an act relating to public safety; proposing the emergency planning and community right-to-know act; requiring reports on hazardous substances and chemicals; creating an emergency response commission; providing penalties; amending Minnesota Statutes 1988, section 609.671, subdivision 1, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 299F.

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

Brown, Cooper and Gutknecht introduced:

H. F. No. 342, A bill for an act relating to commerce; providing for the licensing and regulation of auctioneers; appropriating money; providing penalties; amending Minnesota Statutes 1988, sections 82.18; and 169.07; proposing coding for new law as Minnesota Statutes, chapter 82B; repealing Minnesota Statutes, chapter 330.

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

Rukavina and Battaglia introduced:

H. F. No. 343, A bill for an act relating to collection and dissemi-

nation of data; defining certain mineral data supplied to the commissioner of natural resources as nonpublic data; proposing coding for new law in Minnesota Statutes, chapter 13.

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

Rukavina and Johnson, R., introduced:

H. F. No. 344, A bill for an act relating to environment; authorizing the pollution control agency to train certain persons involved with sewage treatment systems and to charge a training fee; appropriating money; amending Minnesota Statutes 1988, section 115.03, subdivision 1.

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

Bauerly introduced:

H. F. No. 345, A bill for an act relating to retirement; increasing the retirement formula for covered correctional service; amending Minnesota Statutes 1988, section 352.93, subdivision 2.

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

Stanius, Girard, Bennett, Frederick and Weaver introduced:

H. F. No. 346, A bill for an act relating to taxation; motor vehicle excise; exempting sale of motor vehicles to state institutions of higher education and political subdivisions of the state; amending Minnesota Statutes 1988, section 297B.03.

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

Anderson, R.; Knickerbocker; Jennings; Carlson, D., and Bennett introduced:

H. F. No. 347, A bill for an act relating to probate; providing for adult health care decisions; imposing penalties; proposing coding for new law as Minnesota Statutes, chapter 145B.

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

Stanius, Olson, E.; Girard; Schafer and Miller introduced:

H. F. No. 348, A bill for an act relating to natural resources; allowing counties to authorize predator control; setting payment rates for fox that are taken; suspension of certain trespass laws to allow taking of fox if authorized by county resolution; authorizing a bounty on fox; requiring proof of fox killed; appropriating money; amending Minnesota Statutes 1988, sections 97B.001, by adding a subdivision; 97B.671; 348.12; and 348.13.

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

Price, Munger, Long and Kahn introduced:

H. F. No. 349, A bill for an act relating to environment; regulating the hazardous substance injury compensation board and fund; regulating claims against the fund; amending Minnesota Statutes 1988, sections 115B.25; 115B.26; 115B.27, subdivision 1; 115B.28, subdivision 2; 115B.29, subdivision 1; 115B.30, subdivision 3; 115B.31, subdivision 3; and 115B.34, subdivision 2; repealing Minnesota Statutes 1988, section 115B.29, subdivision 2.

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

Clark, Kalis and McLaughlin introduced:

H. F. No. 350, A resolution memorializing the President and Congress to establish a multimodal demonstration project on the interstate highway 35W corridor.

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

Stanius, Neuenschwander, Jennings, Dempsey and Weaver introduced:

H. F. No. 351, A bill for an act relating to game and fish; authorizing party hunting for small game; authorizing party fishing by spearing and angling; proposing coding for new law in Minnesota Statutes, chapters 97B and 97C.

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

Uphus, Bauerly, Redalen and Anderson, G., introduced:

H. F. No. 352, A bill for an act relating to education; providing for phase II of the cooperative secondary facilities grant act; authorizing state bonds for the purpose; appropriating money.

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

Otis, Pelowski, Williams and Miller introduced:

H. F. No. 353, A bill for an act relating to economic development; expanding the definition of economic development district; authorizing economic development authorities to construct and furnish buildings; providing for a referendum on an economic development authority's issuance of general obligation bonds; exempting economic development authority bonds from net debt limits; amending Minnesota Statutes 1988, sections 469.101, subdivision 1, and by adding a subdivision; and 469.102, subdivision 1, and by adding subdivisions.

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

Jefferson, Trimble and Lynch introduced:

H. F. No. 354, A bill for an act relating to elections; providing for handicap access to precinct caucuses and party conventions; providing for sign interpreters at precinct caucuses and party conventions; amending Minnesota Statutes 1988, sections 202A.13; and 202A.15, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 202A.

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

Blatz, Munger, Quinn, Bertram and Lynch introduced:

H. F. No. 355, A bill for an act relating to veterans; authorizing officers and employees of the Military Order of the Purple Heart to purchase certain insurance benefits; amending Minnesota Statutes 1988, section 43A.27, subdivision 2.

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

Kahn introduced:

H. F. No. 356, A bill for an act proposing an amendment to the Minnesota Constitution, article VII, section 1; changing the voting age.

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

Jefferson, Osthoff, Bishop, Clark and Ogren introduced:

H. F. No. 357, A bill for an act relating to commerce; requiring businesses offering check cashing services to be licensed; establishing a maximum fee to be charged for check cashing services; proposing coding for new law as Minnesota Statutes, chapter 55A.

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

Boo; Anderson, R.; Swenson and Henry introduced:

H. F. No. 358, A bill for an act relating to taxation; sales and use; repealing accelerated payment of June liability; amending Minnesota Statutes 1988, section 297A.27, subdivision 1; repealing Minnesota Statutes 1988, section 297A.275.

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

Marsh, Blatz, Frederick, Henry and Lynch introduced:

H. F. No. 359, A bill for an act relating to crimes; authorizing stay of imposition or execution of sentence only for first convictions of certain criminal sexual conduct offenses; requiring certain sexual offenders who receive probation to have treatment in secure facilities; providing extended terms of imprisonment and restricted supervised release for persons convicted a third time for violent sexual offenses; creating a bipartisan audit committee to review the sentencing guidelines system; appropriating money; amending Minnesota Statutes 1988, sections 609.342, subdivision 3; 609.343, subdivision 3; 609.344, subdivision 3; 609.345, subdivision 3; and 609.346, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 609.

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

Kahn; Vanasek; Wynia; Anderson, G., and Schreiber introduced:

H. F. No. 360, A bill for an act relating to military; requiring the advice and consent of the senate in the appointment of the adjutant general; providing for a term of office of seven years for the adjutant general; amending Minnesota Statutes 1988, section 190.07.

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

Hasskamp; Anderson, R.; Rodosovich; Welle and Cooper introduced:

H. F. No. 361, A bill for an act relating to human services; prescribing new duties for the ombudsman for mental health and mental retardation; changing the procedures for discharge of persons committed to treatment facilities as mentally retarded; requiring county monitoring of persons receiving case management services; appropriating money; amending Minnesota Statutes 1988, sections 253B.16, subdivision 1; and 256B.092, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 245.

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

Johnson, R.; Simoneau; Knickerbocker and Jefferson introduced:

H. F. No. 362, A bill for an act relating to retirement; allowing purchase of allowable service credit for sabbatical leave by certain teachers employed by the Bemidji school district.

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

Kelso, Kalis, Lieder and Lasley introduced:

H. F. No. 363, A resolution memorializing the President and Congress of the United States to prevent the imposition of any additional federal excise tax on motor fuel in order to reduce the federal deficit.

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

Trimble, McDonald, Pelowski, Ogren and O'Connor introduced:

H. F. No. 364, A bill for an act relating to agriculture; prohibiting the sale of irradiated foods; proposing coding for new law in Minnesota Statutes, chapter 31.

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

Blatz; Simoneau; Jefferson; Johnson, R., and Knickerbocker introduced:

H. F. No. 365, A bill for an act relating to retirement; teachers retirement act; teachers retirement, certain cities; permitting teachers on unrequested leaves of absence to receive allowable service credit toward annuities and other benefits; proposing coding for new law in Minnesota Statutes, chapters 354 and 354A.

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

Uphus and Bauerly introduced:

H. F. No. 366, A bill for an act relating to the city of Sauk Centre; permitting the city to levy a tax for the city library; imposing a reverse referendum requirement.

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

McLaughlin; Rest; Blatz; Johnson, A., and Begich introduced:

H. F. No. 367, A bill for an act relating to employment; providing a medical leave of absence and a leave to care for family members; amending Minnesota Statutes 1988, sections 181.940, subdivision 1, and by adding subdivisions; 181.942; 181.943; 181.944; proposing coding for new law in Minnesota Statutes, chapter 181.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Welle, Peterson, Cooper, Krueger and O'Connor introduced:

H. F. No. 368, A bill for an act relating to education; imposing requirements for education district contracts; amending Minnesota Statutes 1988, sections 122.91, by adding a subdivision; and 122.93, subdivision 3.

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

Sviggum, Dauner, Bertram, Girard and Miller introduced:

H. F. No. 369, A bill for an act relating to local government; permitting certain local options for unfunded costs mandated by the state; amending Minnesota Statutes 1988, section 3.981, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 3.

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

Swenson, Beard, Kelly, Carruthers and Dempsey introduced:

H. F. No. 370, A bill for an act relating to law libraries; permitting fees to be set annually; amending Minnesota Statutes 1988, section 140.422, subdivision 4.

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

Pappas, Wagenius, Bishop, Macklin and Hasskamp introduced:

H. F. No. 371, A bill for an act relating to corrections; authorizing the commissioner of corrections to take photographs of juveniles committed to the commissioner for management and law enforcement purposes; amending Minnesota Statutes 1988, section 260.161, subdivision 3.

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

Solberg, Simoneau, Haukoos, Dauner and Conway introduced:

H. F. No. 372, A bill for an act relating to the office of the secretary of state; providing for the preservation of land surveys; establishing time for the permanent microfilming of the surveys; appropriating money; amending Minnesota Statutes 1988, section 5.03.

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

Tunheim introduced:

H. F. No. 373, A bill for an act relating to game and fish; open season for walleyed pike on the Rainy River; amending Minnesota Statutes 1988, section 97C.403, subdivision 3.

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

Haukoos, Jacobs, Kalis, Conway and Reding introduced:

H. F. No. 374, A bill for an act relating to utilities; establishing circumstances under which certain utility customers may be considered as being located outside municipalities.

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

Hasskamp, by request, introduced:

H. F. No. 375, A bill for an act relating to traffic regulations; authorizing use of studded or wire-embedded tires on emergency vehicles during winter months; amending Minnesota Statutes 1988, section 169.72, by adding a subdivision.

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

Quinn, Begich, Beard and Johnson, A., introduced:

H. F. No. 376, A bill for an act relating to public safety; regulating the operation and operators of elevators; amending Minnesota Statutes 1988, sections 183.351, by adding a subdivision; and 183.355; proposing coding for new law in Minnesota Statutes, chapter 183.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Simoneau, Sarna, Heap, Vanasek and Greenfield introduced:

H. F. No. 377, A bill for an act relating to corporations; applying the control share acquisition and business combination provisions of state law to certain public corporations; amending Minnesota Statutes 1988, sections 302A.671, subdivision 1; and 302A.673, subdivision 3.

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

O'Connor introduced:

H. F. No. 378, A bill for an act relating to labor; giving employing units an option on the rule of 85; proposing coding for new law in Minnesota Statutes, chapter 356.

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

Bauerly; Nelson, K.; McEachern; McGuire and Johnson, R., introduced:

H. F. No. 379, A bill for an act relating to education; reestablishing an equalized summer program aid and levy; amending Minnesota Statutes 1988, section 124.17, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 124A.

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

Long; Kahn; Carlson, D.; Schreiber and Wynia introduced:

H. F. No. 380, A bill for an act relating to waste management; restoring powers and duties to the waste management board.

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

Sparby, Beard, Pugh, Boo and Swenson introduced:

H. F. No. 381, A bill for an act relating to the legislature; correcting inaccurate references to senate committees; removing an obsolete reference to senate and house committees; amending Minnesota Statutes 1988, sections 97A.045, subdivision 8; 97A.065, subdivision 3; 116E.035; and 480.256.

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

O'Connor introduced:

H. F. No. 382, A bill for an act relating to retirement; St. Paul police survivor benefits; amending Minnesota Statutes 1988, section

353B.11, subdivision 3; and Laws 1955, chapter 151, section 13, as amended.

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

Skoglund introduced:

H. F. No. 383, A resolution memorializing Congress to reject the treasury department's proposed plan to impose a tax on savings accounts in all financial institutions.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Rukavina, Trimble, Pelowski, Dille and Anderson, R., introduced:

H. F. No. 384, A bill for an act relating to education; making educational policies negotiable terms and conditions of employment for professional employees; amending Minnesota Statutes 1988, sections 179A.03, subdivision 19; and 179A.07, subdivision 1.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

### CONSENT CALENDAR

H. F. No. 113, A bill for an act relating to local government; granting powers to towns; setting certain procedures; amending Minnesota Statutes 1988, sections 366.01, subdivision 7; 471.193, subdivision 2; 471.345, subdivision 5a; and 505.09, subdivision 1; repealing Minnesota Statutes 1988, section 368.121.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Bertram	Clark	Frederick	Haukoos
Anderson, G.	Bishop	Conway	Frerichs	Heap
Anderson, R.	Blatz	Cooper	Girard	Henry
Battaglia	Boo	Dauner	Greenfield	Himle
Bauerly	Burger	Dawkins	Gruenes	Hugoson
Beard	Carlson, D.	Dempsey	Gutknecht	Jacobs
Begich	Carlson, L.	Dille	Hartle	Janezich
Bennett	Carruthers	Dorn	Hasskamp	Jaros

Jefferson	Macklin	Omman	Richter	Tompkins
Jennings	Marsh	Onnen	Rodosovich	Trimble
Johnson, A.	McDonald	Orenstein	Rukavina	Tunheim
Johnson, R.	McEachern	Osthoff	Sarna	Uphus
Johnson, V.	McGuire	Ostrom	Schafer	Valento
Kahn	McLaughlin	Otis	Scheid	Vellenga
Kalis	McPherson	Ozment	Schreiber	Wagenius
Kelly	Milbert	Pauly	Seaberg	Waltman
Kelso	Morrison	Pellow	Segal	Weaver
Kinkel	Munger	Pelowski	Simoneau	Welle
Knickerbocker	Nelson, C.	Peterson	Skoglund	Wenzel
Kostohryz	Nelson, K.	Poppenhagen	Solberg	Williams
Krueger	Neuenschwander	Price	Sparby	Winter
Lasley	O'Connor	Pugh	Stanius	Wynia
Lieder	Ogren	Quinn	Stensma	Spk. Vanasek
Limmer	Olsen, S.	Redalen	Sviggum	
Long	Olson, E.	Reding	Swenson	
Lynch	Olson, K.	Rest	Tjornhom	

The bill was passed and its title agreed to.

### CALENDAR

H. F. No. 27, A bill for an act relating to crimes; expanding the definition of "bodily harm" in the crime of third degree assault of an unborn child to include premature birth; amending Minnesota Statutes 1988, section 609.2672.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kelso	Neuenschwander	Reding
Anderson, G.	Frerichs	Kinkel	O'Connor	Rest
Anderson, R.	Girard	Knickerbocker	Ogren	Richter
Bauerly	Greenfield	Kostohryz	Olsen, S.	Rodosovich
Beard	Gruenes	Krueger	Olson, E.	Rukavina
Begich	Gutknecht	Lasley	Olson, K.	Sarna
Bennett	Hartle	Lieder	Omman	Schafer
Bertram	Hasskamp	Limmer	Onnen	Scheid
Bishop	Haukoos	Long	Orenstein	Schreiber
Blatz	Heap	Lynch	Osthoff	Seaberg
Boo	Henry	Macklin	Ostrom	Segal
Burger	Himle	Marsh	Otis	Simoneau
Carlson, D.	Hugoson	McDonald	Ozment	Skoglund
Carlson, L.	Jacobs	McEachern	Pappas	Solberg
Carruthers	Janezich	McGuire	Pauly	Sparby
Clark	Jaros	McLaughlin	Pellow	Stanius
Conway	Jefferson	McPherson	Pelowski	Stensma
Cooper	Jennings	Milbert	Peterson	Sviggum
Dauner	Johnson, A.	Miller	Poppenhagen	Swenson
Dawkins	Johnson, R.	Morrison	Price	Tjornhom
Dempsey	Johnson, V.	Munger	Pugh	Tompkins
Dille	Kalis	Nelson, C.	Quinn	Trimble
Dorn	Kelly	Nelson, K.	Redalen	Tunheim

Uphus	Wagenius	Welle	Winter
Valento	Waltman	Wenzel	Wynia
Vellenga	Weaver	Williams	Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 95, A bill for an act relating to crime victims; clarifying certain criminal fine provisions; authorizing the deposit of unclaimed and abandoned restitution payments in the crime victim and witness account; increasing the maximum amount of reparations payable for funeral, burial, or cremation expenses; authorizing the payment of reparations under certain circumstances to Minnesota residents injured by crimes committed elsewhere; clarifying the authority of the reparations board to deny reparations on the basis of claimant's contributory misconduct; amending Minnesota Statutes 1988, sections 345.48, subdivision 1; 609.101, subdivision 2; 611A.52, subdivision 8; 611A.53, by adding a subdivision; and 611A.54.

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	Girard	Krueger	Onnen	Segal
Anderson, G.	Greenfield	Lasley	Orenstein	Simoneau
Anderson, R.	Gruenes	Lieder	Osthoff	Skoglund
Battaglia	Gutknecht	Limmer	Ostrom	Solberg
Bauerly	Hartle	Long	Otis	Sparby
Beard	Hasskamp	Lynch	Ozment	Stanius
Begich	Haukoos	Macklin	Pappas	Steensma
Bennett	Heap	Marsh	Pauly	Sviggum
Bertram	Henry	McDonald	Pellow	Swenson
Bishop	Himle	McEachern	Pelowski	Tjornhom
Blatz	Hugoson	McGuire	Peterson	Tompkins
Boo	Jacobs	McLaughlin	Poppenhagen	Trimble
Burger	Janezich	McPherson	Price	Tunheim
Carlson, D.	Jaros	Milbert	Pugh	Uphus
Carlson, L.	Jefferson	Miller	Quinn	Valento
Carruthers	Jennings	Morrison	Redalen	Vellenga
Clark	Johnson, A.	Munger	Reding	Wagenius
Conway	Johnson, R.	Nelson, C.	Rest	Waltman
Cooper	Johnson, V.	Nelson, K.	Richter	Weaver
Dauner	Kahn	Neuenschwander	Rodosovich	Welle
Dawkins	Kalis	O'Connor	Rukavina	Wenzel
Dempsey	Kelly	Ogren	Sarna	Williams
Dille	Kelso	Olsen, S.	Schafer	Winter
Dorn	Kinkel	Olson, E.	Scheid	Wynia
Frederick	Knickerbocker	Olson, K.	Schreiber	Spk. Vanasek
Frerichs	Kostohryz	Omman	Seaberg	

The bill was passed and its title agreed to.

H. F. No. 97, A bill for an act relating to crimes; requiring the court to order the preparation of a presentence investigation report in gross misdemeanor cases when requested by the prosecutor; amending Minnesota Statutes 1988, section 609.115, subdivision 1.

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

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Girard	Lasley	Orenstein	Skoglund
Anderson, G.	Greenfield	Lieder	Osthoff	Solberg
Anderson, R.	Gruenes	Limmer	Ostrom	Sparby
Battaglia	Gutknecht	Long	Otis	Stanius
Bauerly	Hartle	Lynch	Ozment	Steensma
Beard	Hasskamp	Macklin	Pappas	Swiggum
Begich	Haukoos	Marsh	Pauly	Swenson
Bennett	Heap	McDonald	Pellow	Tjornhom
Bertram	Henry	McEachern	Pelowski	Tompkins
Bishop	Himle	McGuire	Peterson	Trimble
Blatz	Hugoson	McLaughlin	Poppenhagen	Tunheim
Boo	Jacobs	McPherson	Price	Uphus
Burger	Janezich	Milbert	Pugh	Valento
Carlson, D.	Jaros	Miller	Redalen	Vellenga
Carlson, L.	Jefferson	Morrison	Reding	Wagenius
Carruthers	Jennings	Munger	Rest	Waltman
Clark	Johnson, A.	Nelson, C.	Richter	Weaver
Conway	Johnson, R.	Nelson, K.	Rodosovich	Welle
Cooper	Johnson, V.	Neuenschwander	Rukavina	Wenzel
Dauner	Kahn	O'Connor	Sarna	Williams
Dawkins	Kalis	Ogren	Schafer	Winter
Dempsey	Kelly	Olsen, S.	Scheid	Wynia
Dille	Kelso	Olsen, E.	Schreiber	Spk. Vanasek
Dorn	Kinkel	Olson, K.	Seaberg	
Frederick	Knickerbocker	Omann	Segal	
Frerichs	Krueger	Onnen	Simoneau	

Those who voted in the negative were:

Quinn

The bill was passed and its title agreed to.

REPORT FROM THE COMMITTEE ON RULES AND  
LEGISLATIVE ADMINISTRATION

Wynia, for the Committee on Rules and Legislative Administration, offered the following report and moved its adoption:

*Resolved*, that the Permanent Rules of the House of Representatives for the 76th Session shall read as follows:

PERMANENT RULES OF THE HOUSE OF  
REPRESENTATIVES

ARTICLE I - DAILY BUSINESS

1.1 CONVENING OF THE HOUSE. Unless otherwise ordered, regular sessions of the House shall convene at ~~two o'clock~~ two-thirty p.m. The Speaker shall take the chair at the hour at which the House convenes and the House shall then be called to order. After prayer by the Chaplain or a brief meditation, a roll of members shall be called and the names of members present and members excused shall be entered in the Journal of the House.

1.2 READING OF THE JOURNAL. A quorum being present, the Journal of the preceding day shall be read by the Chief Clerk unless otherwise ordered. The House may correct any errors in the Journal of the preceding day.

1.3 ORDER OF BUSINESS. After the reading of the Journal, the order of business of the day shall be:

- (1) Presentation of petitions or other communications.
- (2) Reports of standing committees.
- (3) Second reading of House bills.
- (4) Second reading of Senate bills.
- (5) Reports of select committees.
- (6) Introduction and first reading of House bills.
- (7) Consideration of messages from the Senate.
- (8) First reading of Senate bills.
- (9) Consent Calendar.
- (10) Calendar for the day.
- (11) General Orders.
- (12) Motions and resolutions.

Conference committees and the Committee on Rules and Legislative Administration may report at any time.

1.4 SECOND READING OF BILLS. Every bill shall require a second reading.

Except as otherwise ordered, every bill requiring the approval of the Governor shall, after a second reading, be considered in a Committee of the Whole before it shall be finally acted upon by the House.

1.5 COMMITTEE OF THE WHOLE. The Committee of the Whole is a committee of the entire membership of the House. The Speaker may appoint another member as chairman chair to preside over the Committee of the Whole.

When the House arrives at the General Orders of the Day, it shall resolve itself into a Committee of the Whole to consider bills on General Orders.

A bill considered in the Committee of the Whole shall be reported and then debated by sections, with the title considered last. All amendments shall be typewritten and five copies shall be submitted to the Chairman Chair who shall report them to the House.

1.6 RULES TO APPLY TO COMMITTEE OF THE WHOLE. The Rules of the House shall be observed in the Committee of the Whole so far as may be applicable except that the previous question shall not be forced or speaking limited.

Upon demand of 15 members, the yeas and nays shall be called, the question voted on, and the yeas and nays recorded in the Journal of the House.

In the Committee of the Whole no amendment increasing the amount of any appropriation shall be passed without the yeas and nays recorded in the Journal of the House.

A motion that the Committee arise shall always be in order and shall be decided without debate.

Upon the request of any member, a bill shall be excepted from the report of the Committee of the Whole. Only a motion to strike an amendment to the bill adopted in the Committee of the Whole or to amend the recommendation of the Committee of the Whole concerning the disposition of the bill shall be in order.

1.7 GENERAL ORDERS OF THE DAY. The Chief Clerk at the direction of the Speaker shall prepare the General Orders of the Day, which is a list of all bills which have not been made Special Orders or placed on the Consent Calendar, numbered according to their order at second reading. Unless otherwise ordered by a majority of the

Committee, items on General Orders shall be taken up in numerical order.

The Chief Clerk shall see that a copy of each bill printed under the Rules or Orders of the House is placed in each member's file, which is to be kept at his the member's desk in the chamber, at least 24 hours before the bill shall be considered in the Committee of the Whole. Under the first order of business each day, the Chief Clerk shall report to the House which bills he has have been placed in the files.

If a bill is progressed three times it shall be placed at the end of General Orders unless otherwise ordered by majority vote.

Except during the last five days in any year on which a bill may be passed, a bill amended in the Committee of the Whole shall not be given its third reading until it is engrossed and reproduced as amended.

1.8 THIRD READING OF BILLS. No amendment shall be received after the third reading without the unanimous consent of the House, except to fill blanks or to amend titles.

At any time prior to its passage any bill or resolution may be committed or recommitted referred or re-referred by a majority vote of the whole House. If the committee, other than the Committee of the Whole, to which it was committed or recommitted referred or re-referred reports an amendment on it, it shall again be given its second reading, considered in Committee of the Whole, given its third reading and placed upon its final passage.

1.9 SPECIAL ORDERS. A bill may be made the Order of the Day for a special time and be placed upon a separate list known as "Special Orders."

The Committee on Rules and Legislative Administration may by committee report designate as a Special Order any bill which has had its second reading.

Any member may move to make a bill a Special Order by giving notice at least two legislative days in advance of and specifying the day on which he the member will so move. The notice shall include the number and title of the bill and the day and time certain for the Special Order. Only the member giving such notice, or another member designated by him in writing by the member who originally gave notice of the Special Order to the Speaker, may make the motion for the Special Order. A two-thirds vote of the whole House on such motion is required to make a bill a Special Order.

The time set for the motion may not be extended, and failure to

make the motion on the specified day forfeits the right to make the motion.

A motion to make a bill a Special Order, when made according to the procedures herein prescribed, shall be a privileged motion, shall take precedence over all other motions except a motion to adjourn or to set the time to adjourn and questions of personal privilege, and may be made at any time on the day designated in the notice. A three-fourths vote of the whole House is required to suspend the motion.

Any Special Order, or any part of it, may be continued or postponed by two-thirds vote of the whole House at the time of such Special Order; however, a Special Order designated by the Committee on Rules and Legislative Administration may be continued or postponed by a majority vote of the whole House at the time of such Special Order.

When the time arrives for the consideration of any Special Order, the House shall consider each bill upon the Special Order in the order in which it is listed. After consideration it shall immediately be read the third time and placed upon final passage.

1.10 TAX AND APPROPRIATION BILLS GIVEN PRECEDENCE. ~~After adoption by the House of a budget resolution pursuant to Rule 5-10,~~ Any bill relating to taxes or raising revenue shall be acted upon whenever requested by the Chairman Chair of the Committee on Taxes, and any appropriation bill shall be acted upon whenever requested by the Chairman Chair of the Committee on Appropriations.

1.11 CONSENT CALENDAR. Any bill of a non-controversial nature for which the committee report recommends placement upon the Consent Calendar shall be given its second reading after the report is adopted and placed upon the Consent Calendar. The bill shall be printed and placed in the members' files at least one day before it can be considered. The bill shall be placed upon the Consent Calendar in the order in which it is given its second reading.

The Consent Calendar shall immediately precede the order of business known as "Calendar for the Day." Every bill on the Consent Calendar shall be debated, given its third reading and voted upon, provided, however, that at any time prior to third reading, ten members may object to any bill as being controversial. Any bill so objected to shall be stricken from the Consent Calendar and be immediately ~~returned to~~ placed upon General Orders, taking its place in the usual order.

1.12 SUSPENSION OF RULES TO ADVANCE A BILL. Every bill shall be reported on three different days, except that in case of urgency, a two-thirds majority of the whole House may suspend this Rule. A

motion for suspension of the Rules to advance a bill for consideration out of its regular order is in order under the order of business "Motions and Resolutions" or at any time the bill is before the House. The motion must be presented to the Speaker in writing and must state the present position of the bill.

1.13 MINORITY REPORTS. Any minority report shall be made separately from the majority report and shall be considered before the majority report. If the minority report is adopted the majority report shall not be considered. If the minority report is not adopted the majority report shall then be considered.

1.14 COMMITTEE REPORT LAID OVER. The report of any committee may be laid over one day and printed in the Journal, if so ordered by the House.

1.15 RECALLING BILL FROM COMMITTEE. Except after the deadline for committee reports on bills originating in the House, any bill or resolution may be recalled from any committee at any time by majority vote of the whole House, be given a second reading and be advanced to General Orders. A motion to recall a bill or resolution shall be in order only under the order of business "Motions and Resolutions."

1.16 TIME LIMIT FOR CONSIDERATION OF BILLS. If 20 legislative days after a bill has been referred to committee (other than a bill in Appropriations) no report has been made upon it by the committee, its chief author may request that it be returned to the House and the request shall be entered in the Journal for the day. The committee shall have ten calendar days thereafter in which to vote upon the bill requested. If the Committee fails to vote upon it within the ten days, the chief author may, at any time within five calendar days thereafter, present a written demand to the Speaker for its immediate return to the House. The demand shall be entered in the Journal for that day and shall constitute the demand of the House. The bill shall then be considered to be in the possession of the House, given its second reading and placed at the foot end of General Orders.

Such bill is subject to re-reference by a majority vote of the whole House. If the motion to re-refer is made on the day of the demand or within one legislative day thereafter, the motion shall take precedence over all other motions except privileged motions and shall be in order at any time.

After Friday, May 8, 1987 . . . . . the House shall not act on bills other than those recommended by conference committee reports or the Committee on Rules and Legislative Administration, and those bills contained in messages from the Senate or from the Governor.

1.17 DISPOSITION OF SENATE BILLS. Any Senate File received by

the House, accompanied by a message announcing its passage by the Senate, shall be referred to the appropriate standing committee in accordance with Rule 5.4. However, if a Senate File is received which is stated by a member to be identical to a House File already reported by a standing committee of the House and placed on General Orders, Calendar, Consent Calendar, or Special Orders, the Senate File shall be referred to the Chief Clerk for comparison. If the Chief Clerk reports that the Senate File is identical with the House File, the Senate File may by majority vote be substituted for the House File and take its place. The fact that the bills are identical shall be entered in the Journal and the House File is then considered withdrawn.

Any Senate File which has been amended on the floor of the House, except at time of final passage, and any Senate File which has been reported to the House with amendments by a House standing committee, shall be unofficially engrossed and reprinted by the Chief Clerk. Amendments to unofficial engrossments of a Senate File may be offered by members on the floor of the House but shall not be offered in standing committees.

1.18 RECORDED FLOOR PROCEEDINGS. All proceedings on the floor of the House shall be recorded on magnetic tape or similar recording device under the direction of the Chief Clerk. Two copies of each tape shall be delivered to the Director of the Legislative Reference Library and there maintained on file for use by any member of the public in accordance with the rules of the Legislative Reference Library. At the end of each biennium, the Director of the Legislative Reference Library shall deliver one copy of each tape to the Director of the Minnesota Historical Society.

Any person may obtain a copy of any such tape during the biennium in which it is recorded upon payment of a fee determined by the Chief Clerk to be adequate to cover the cost of preparing the copy.

Discussion preserved under this rule is not intended to be admissible in any court or administrative proceeding on an issue of legislative intent.

## ARTICLE II - VOTING

2.1 AUTHORIZING ELECTRIC VOTING SYSTEM. Except for a vote upon elections or the overriding of a Governor's veto, any vote may be taken by means of the electric voting system which shall be under the control of the Speaker of the House.

2.2 CALL OF THE HOUSE. Ten members may demand a call of the House at any time except after voting has commenced. When such call is demanded, the doors shall be closed, the roll shall be called,

the absent members shall be sent for, and no member may be permitted to leave until the roll call is suspended or completed. During the roll call, no motion shall be in order except a motion pertaining to matters incidental to the call. Proceedings under the roll call may be suspended by a majority vote of the whole House. After the roll call is suspended or completed the Sergeant at Arms shall not permit any member to leave the Chamber unless excused by the Speaker. A call of the House may be lifted by a majority vote of the whole House.

2.3 DEMANDING YEAS AND NAYS. Yeas and nays shall be ordered without demand upon final passage of bills and upon adoption of resolutions or motions directing the payment of money. In all other cases the yeas and nays shall be ordered only upon demand of 15 members.

2.4 EXPLAINING OR CHANGING VOTE. No member shall be allowed to explain his a vote or discuss the question while the yeas and nays are being taken, nor be allowed to change his a vote after the yeas and nays have been announced from the chair by the Speaker.

2.5 EVERY UNEXCUSED MEMBER TO VOTE. Any member who is immediately interested in the question being voted on shall not vote.

Every other member present before a vote is declared from the chair shall vote for or against the matter before the House, unless the House excuses him the member from voting.

When A member who declines to vote on a call of his the member's name, he shall be required to state his reasons for so declining. After the vote has been taken but before the chair has announced the vote, he the chair shall submit to the House the question, "Shall the member, for the reasons stated, be excused from voting?" which shall be decided without debate. Any other proceedings in reference thereto shall take place after announcement of the vote.

#### ARTICLE III - MOTIONS AND AMENDMENTS

3.1 AMENDMENTS AND OTHER MOTIONS. No amendment or other motion shall be debated until after it is stated by the Speaker.

After a an amendment or other motion has been stated by the Speaker it is in possession of the House, but the mover may withdraw it at any time before amendment or decision. Unless a motion, resolution or amendment is withdrawn on the day it is made, it shall be entered in the Journal, together with the name of the member offering it.

The Speaker may require any amendment or other motion to be written typewritten and that five copies be given to the Chief Clerk.

3.2 PRECEDENCE OF MOTIONS. When a question is under consideration, no motion shall be received except the following, the first four of which shall be decided without debate:

- (1) To fix the time of adjournment.
- (2) To adjourn.
- (3) To lay on the table.
- (4) For the previous question.
- (5) To refer.
- (6) To postpone to a day certain.
- (7) To amend.
- (8) To postpone indefinitely.
- (9) To pass.

The motions shall have precedence in the order listed. However, if the motion for the previous question has been seconded and the main question ordered, the motion to lay on the table shall not be in order.

3.3 MOTION TO ADJOURN. A motion to adjourn shall always be in order except during roll call.

When a motion to adjourn is made it shall be in order for the Speaker, before putting the question, to permit any member to state reasons which would seem to render adjournment improper at that time. Such a statement shall not be debatable and shall be limited to not over two minutes.

3.4 MOTION FOR RECONSIDERATION. When a question has been decided either in the affirmative or negative, it shall be in order for any member who voted with the prevailing side to move its reconsideration, provided that such motion is made either on the same day the vote was taken or within the following two days of actual session of the House. A motion for reconsideration can be made at any time in the Order of Business and shall take precedence over all other questions except the motion to adjourn and the notice of intention to move reconsideration. Such motion or notice shall not be in order if the document, bill, resolution, message, report or other official action on which the vote was taken shall have left the possession of the House.

When a member gives notice of intention to move reconsideration of the final action of the House on any bill, resolution, message, report or other official action, the Chief Clerk shall retain the same until after the matter is disposed of or the time has expired during which the motion for reconsideration can be made.

On the last day allowed for the motion to reconsider, it shall be in order for any member who voted on the prevailing side to make the motion, unless the matter has been already disposed of.

A motion for reconsideration having been voted upon and lost shall not be renewed.

In an odd-numbered year, notice of intention to move reconsideration shall not be in order after Monday, April 20 .....

3.5 ORDER OF PUTTING QUESTION. Except in the case of privileged questions, all questions, whether in committee or in the House, shall be put in the order in which they are moved. When filling blanks, a motion for the largest sum or the longest time shall be put first.

3.6 DIVISION OF A QUESTION. Any member may request the division of a question which contains several separate and distinct points. A motion to strike out and insert shall not be divisible. If a motion to strike out is lost it shall not preclude another motion to amend or to strike out and insert.

3.7 THE PREVIOUS QUESTION. The motion calling for the previous question must be seconded by 15 members. If the motion for the previous question is ordered by a majority of members present, it shall have the effect of cutting off all debate and bringing the House to direct vote upon the question or questions.

The previous question may be moved and ordered upon a single motion, a series of motions allowable under the Rules, or an amendment or amendments; or it may include all authorized motions or amendments, including a vote on final passage of a bill.

On a motion for the previous question, but prior to its being ordered, a call of the House shall be in order. After a majority has ordered the previous question, no call shall be in order prior to the decision on the main question.

When the previous question is decided in the negative, the main question remains under debate until disposed of by taking a vote either on the question or in some other manner.

All incidental questions of order arising after a motion is made for

the previous question and prior to the vote on the main question shall be decided without debate.

**3.8 UNANIMOUS CONSENT TO MAKE A MOTION AMENDMENTS TO AMENDMENTS.** Whenever unanimous consent to make a motion is requested by a member, the member as a part of such request shall state briefly the purpose of such motion and the subject matter involved. An amendment may be amended, but an amendment to an amendment may not be amended.

**3.9 MOTIONS AND PROPOSITIONS TO BE GERMANE.** No motion or proposition on a subject different from that under consideration shall be admitted under guise of its being an amendment.

**3.10 AMENDMENT NOT TO ANNEX ANOTHER BILL.** Except in a standing committee no bill or resolution shall at any time be amended by annexing or incorporating any other bill or resolution.

**3.11 RESOLUTIONS AND MOTIONS INVOLVING EXPENDITURE OF MONEY.** Any resolution or motion involving the expenditure of money out of the legislative expense fund shall be referred to the Committee on Rules and Legislative Administration before being acted upon by the House. A majority vote of the whole House, determined by a roll call, is required to pass any such resolution or motion.

**3.12 AMENDMENTS TO APPROPRIATION AND TAX BILLS.** No amendment increasing an appropriation and no amendment increasing a tax shall be declared passed until voted for by a majority of the whole House determined by a roll call vote.

**3.13 MOTION TO LAY ON THE TABLE.** A motion to lay on the table shall not be in order on a motion to amend, except that a motion to amend the Rules may be tabled.

**3.14 MOTION TO RESCIND.** The motion to rescind shall not be in order at any time in any proceeding in the House or in any committee of the House.

**3.15 SUSPENSION OR AMENDMENT OF THE RULES.** The concurrence of two-thirds of the whole House is required to suspend, alter, or amend any Rule of the House, except that any amendment to the Rules reported by the Committee on Rules and Legislative Administration may be adopted by a majority of the whole House.

Except as provided in Rule 1.12, a motion to suspend, alter, or amend any Rule of the House must be made under the order of business "Motions and Resolutions." If the motion is made at any other time, unanimous consent is required before the Speaker can entertain the motion.

A motion to suspend the Rules, together with the subject matter to which it pertains, is debatable, but the previous question may be applied to the motion.

#### ARTICLE IV - DEBATE AND DECORUM

4.1 ABSENCE OF MEMBERS AND OFFICERS. Unless illness or other sufficient cause prevents attendance, no member or officer of the House shall be absent himself from any session of the House without first having obtained from the Speaker permission to be absent.

4.2 DUTIES OF MEMBERS. Members shall keep their seats until the Speaker announces adjournment.

Every member, before speaking, shall rise from his seat and respectfully address the Speaker and shall not speak further until recognized by the Speaker. When two or more members rise at the same time, the Speaker shall designate the member to speak first.

4.3 QUESTIONS OF ORDER. If any member of the House transgresses the Rules, either in speaking or in any other way, the Speaker shall, or any member may, call him the member to order. A member so called to order shall immediately sit down unless another member moves to permit him the member who was called to order to explain. In either case, the House, if appealed to, shall decide without debate. Only if the decision is in favor of the member called to order shall he that member be at liberty to proceed. A member called to order shall be liable to censure or such other punishment as the House may deem proper.

4.4 ORDER IN DEBATE. No member shall speak more than twice on the same subject without leave of the House, nor more than once until every other member wishing to speak on the pending question has had an opportunity to do so.

4.5 NOTICE OF INTENTION TO DEBATE A RESOLUTION. Any member may give notice of his intention to debate a resolution. Such notice may be given at any time before the vote is taken on the resolution. If such notice is given, the resolution shall be laid over one day without debate or any other action.

4.6 OFFENSIVE WORDS IN DEBATE. If any member is called to order for offensive words in debate, the member calling him to for order shall report the words to which exception is taken and the Clerk shall record them. No member shall be held to answer or be subject to censure of the House for any language used in debate if exception is not taken before any other member has spoken or any other business has taken place.

4.7 ORDER DURING SESSION. No member shall walk out of or

across the Chamber when the Speaker is putting the question. No member shall engage in private conversation while another member is speaking or pass between the speaking member and the Chair.

4.8 NO ONE TO REMAIN BY THE CHIEF CLERK'S DESK. No member or other person shall remain by the Chief Clerk's desk while the yeas and nays are being called.

4.9 WHO MAY BE ADMITTED TO THE FLOOR. No person shall be admitted within the House Chamber, except members themselves, properly authorized employees, the Chief Executive and ex-governors of the State of Minnesota, members of the Senate, heads of departments of the state government, judges of the Supreme and District Courts, members of Congress, properly accredited representatives of radio and television stations, newspapers and press associations, as herein provided for, and none other. When a former member of Congress or the Minnesota Legislature or any other person is issued a permit by the Speaker good for the day ~~he~~, that person shall be provided with a seat near the Speaker's rostrum, and at no time shall a conversation be carried on so as to disturb the business of the House. Before issuing the permit, the Speaker shall satisfy himself make certain that the person does not seek the floor of the House for the purpose of influencing decisions of the House.

The alcoves shall be kept for the use of members only, and the Sergeant at Arms shall keep them cleared.

It shall not be in order for the Speaker to entertain a request for the suspension of this Rule, or to present from the Chair the request of any member for unanimous consent unless an extraordinary condition exists, in which event ~~he~~ the Speaker may consent to entertain a motion for its suspension.

During the period extending from one hour prior to the time the House is scheduled to convene until one hour after the House adjourns for the day, the retiring room shall be reserved for the exclusive use of the members and employees of the House or Senators specifically authorized to be present by a House member. No committee meetings shall be held therein except for emergency meetings authorized by the Speaker of the House. The Sergeant at Arms is charged with the duty of strict enforcement of this provision.

4.10 PRESENTATION OF PETITIONS. Any petition, memorial or other paper presented to the House shall include the name of the member introducing it and a brief description of its contents and shall be presented by the Speaker, who shall state briefly its contents.

4.11 NO SMOKING IN HOUSE CHAMBER. No member of the House of Representatives or officer of the House, or other person, shall be permitted to smoke in the House Chamber except in designated smoking areas, confined only to the front desk and the legislative

retiring room. There shall be no smoking in the visitors' section of the galleries.

#### ARTICLE V - BILLS

5.1 BILL AND RESOLUTION FORM. No bill or resolution shall be introduced until it has been examined and approved by the Revisor of Statutes as to form and compliance with the Joint Rules of the House and Senate and the Rules of the House. Approval as to form shall be endorsed on the bill or resolution by the Revisor of Statutes.

5.2 INTRODUCTION OF BILLS AND RESOLUTIONS. A bill, advisory bill or resolution offered for introduction shall be placed in the hands of the Speaker at least 24 hours prior to the convening of the daily session. Every bill, advisory bill and resolution shall be introduced in quadruplicate and each copy shall contain the signature of the member or name of the committee introducing it. No bill, advisory bill, memorial or resolution shall have more than five authors. A statement of facts being forwarded for action to a governmental official, agency, or body or other similar proposal is a memorial and shall be introduced in the same form as a bill and take the same course as a bill. No resolution shall authorize the expenditure of monies from any source other than the legislative expense fund.

5.3 ADVISORY BILLS. An advisory bill may be introduced by any member in the same manner as a bill except that the requirements of Rule 5.1 shall not apply.

Each advisory bill shall be typewritten on a form provided by the Chief Clerk. It shall have a title not exceeding 12 words in length and shall contain a specific proposal for the initiation, termination or alteration of a law or program of the state or any of its subdivisions. It need not be drafted in a form appropriate for enactment into law.

An advisory bill may be considered only in committee and shall not be given a second reading or be otherwise considered by the House, except that the committee may report its recommendation for re-referral to another committee.

5.4 FIRST READING AND REFERENCE OF BILLS. Each bill, advisory bill and resolution shall be reported and given its first reading upon its introduction. No bill, advisory bill or resolution shall be objected to upon its introduction.

Except as provided in Rule 1.17 and Rule 5.5 each bill, advisory bill or resolution shall, after first reading, be referred by the Speaker to the appropriate standing committee or division thereof.

Congratulatory resolutions are exempt from this rule and may be

adopted by the Committee on Rules and Legislative Administration without further consideration by the House.

Except as otherwise provided in these Rules, after a bill, advisory bill or resolution has been referred by the Speaker, a majority vote of the whole House shall be required for a re-referral or recommitment of the bill, advisory bill or resolution by the House.

5.5 COMMITTEE BILLS. A committee bill shall be read for the first time and may be referred by the Speaker to any standing committee. If it is not so referred, it shall be laid over one day. It shall then be read for the second time and placed upon General Orders, or, if recommended by the Committee, upon the Consent Calendar.

5.6 PRINTING OF BILLS. Every bill shall be printed after it has been given its second reading. A bill may be printed at any other time a majority of the House so orders.

5.7 BILLS CARRYING AN APPROPRIATION. Any bill, whether originating in the House or Senate, carrying an appropriation, or which may involve any present or future financial obligation on the part of the State, after being reported to the House, shall be referred, or re-referred, as the case may be, to the Committee on Appropriations for action by that committee. Any committee, other than the Committee on Appropriations, to which such bill has been referred shall note in its report that the bill carries an appropriation.

5.8 BILLS AFFECTING STATE GOVERNMENT POWERS AND STRUCTURE. Any bill, whether originating in the House or the Senate, which creates any new department, agency, commission, board or bureau, or which substantially changes or alters the organization of or delegates emergency rulemaking authority to or exempts from rulemaking any department or agency thereof of state government, or substantially changes, alters, vests or divests official rights, powers, or duties of any official, department or agency of the state government or any institution under its control, after being reported to the House, shall be referred, or re-referred, as the case may be, to the Committee on Governmental Operations for action by that committee. Any committee other than the Committee on Governmental Operations to which such bill is referred shall, in its report, recommend re-referral to the Committee on Governmental Operations.

5.9 BILLS AFFECTING TAXES. Any bill whether originating in the House or Senate, which substantially affects state tax policy or the administration of state tax policy, after being reported to the House, shall be referred, or re-referred, as the case may be, to the Committee on Taxes for action by that committee. Any standing committee other than the Committee on Taxes to which such a bill is referred shall, in its report, recommend re-referral to the Committee on

Taxes. The provisions of this rule, however, shall not apply to the Education Finance Bill.

5.10 WAYS AND MEANS COMMITTEE; RESOLUTION; EFFECT ON EXPENDITURES AND TAX BILLS. The Committee on Ways and Means shall hold hearings as necessary to determine state expenditures and taxes for the coming fiscal biennium. Not later than seven days after the Governor presents the last state revenue forecast during the regular legislative session, but in no case later than March 31, 1987 April 6, 1989, the Committee on Ways and Means shall report a budget resolution to the House for consideration. The budget resolution shall take the form of a House resolution that sets the maximum limitation on expenditures and taxes for the coming fiscal biennium for the general fund and an amount to be set aside as a budget reserve. The limitation is effective, if adopted, unless the House adopts a different limitation in a subsequent budget resolution that accounts for increases or decreases in general fund revenues and expenditures anticipated for the current fiscal biennium.

No bill described in Rule 5.7 or 5.9 shall be given its second reading until the House has received a statement from the Committee on Ways and Means certifying that the major expenditure and tax bills are reconciled and do not exceed the limitation specified in the budget resolution for the general fund. Major expenditure and tax bills are: the education appropriation bill; the health and human services appropriation bill; the state departments appropriation bill; the agriculture, transportation and semi-state appropriation bill; the education finance bill; the agriculture finance bill; and the omnibus tax bill. However, a bill may be given its second reading by special authorization of the Committee on Ways and Means or by majority vote of the whole House. A special authorization may be reported by an oral notice to the House from the Chairman Chair of the Committee on Ways and Means or his a designee of the Chair stating that the fiscal impact of a bill will be accounted for in the reconciliation statement.

The Committee on Appropriations and the Committee on Taxes, upon recommending passage of any bill described in Rule 5.7 or 5.9, shall provide to the Committee on Ways and Means a fiscal statement on the bill.

After the House has received a reconciliation statement from the Committee on Ways and Means, the House shall not give a second reading to any bill described in Rule 5.7 or 5.9 other than the major expenditure and tax bills. However, a bill may be given its second reading after the House has received from the Committee on Ways and Means a statement certifying that the fiscal impact of the bill is within the guidelines of the budget resolution, or after authorization by majority vote of the whole House. The statement of the Committee on Ways and Means may be reported orally by the Chairman

Chair of the Committee on Ways and Means or his a designee of the Chair.

5.11 RECESS BILL INTRODUCTIONS. During the period between the last day of the session in any odd-numbered year and the first day of the session in the following year, any bill filed with the Speaker for introduction shall be given a file number and may be unofficially referred to an appropriate standing committee of the House of Representatives.

5.12 BILLS PROPOSING CONSTITUTIONAL AMENDMENTS. Any bill, whether originating in the House or Senate, which proposes a constitutional amendment, after being reported to the House, shall be referred, or re-referred, as the case may be, to the Committee on Rules and Legislative Administration for action by that committee. Any committee, other than the Committee on Rules and Legislative Administration, to which such bill has been referred, shall, in its report, recommend re-referral to the Committee on Rules and Legislative Administration.

#### ARTICLE VI - COMMITTEES - POWERS AND DUTIES

6.1 COMMITTEES. Standing committees of the House shall be appointed by the Speaker as follows:

##### Agriculture

Division: ~~Agriculture~~ Finance

##### Appropriations

Divisions: Agriculture, Transportation and Semi-State  
Education  
Health and Human Services  
State Departments

##### Commerce

##### Economic Development and Housing

Divisions: International Trade and Technology  
Rural Resource Development  
Community Stabilization and Development

##### Education

~~Division~~ Divisions: Education Finance  
Higher Education

##### Environment and Natural Resources

##### Ethics

##### Financial Institutions and ~~Insurance~~ Housing

Division: Housing

##### ~~Future and Technology~~

##### General Legislation, Veterans Affairs and Gaming

Divisions: Elections  
Gaming

##### Governmental Operations

##### Health and Human Services

##### Higher Education

##### Insurance

##### Judiciary

Division: Crime and Family Law Criminal Justice  
 Labor-Management Relations  
 Division: Unemployment Compensation  
and Workers' Compensation  
Local Government and Urban Metropolitan Affairs  
Metropolitan Affairs  
 Regulated Industries  
 Rules and Legislative Administration  
 Taxes  
 Divisions: Property Tax  
Tax Laws  
 Transportation  
 Ways and Means

6.2 COMMITTEE MEMBERSHIP. No less than 30 days prior to the opening of a regular session of the Legislature, the Speaker-designate shall provide the minority group with a list of the standing committees proposed for the session. He The Speaker-designate shall also designate the number of minority members to be appointed to each committee and may require general membership guidelines to be followed in the selection of committee members.

If the minority leader submits to the Speaker-designate, at least 15 days prior to the opening of the session, a list of proposed committee assignments for the minority group, which complies with the numbers and guidelines provided, the Speaker shall make such proposed assignments with the purpose of attaining proportionate representation on the committees for the minority group.

No committee of the House shall have exclusive membership from any one profession, occupation or vocation.

6.3 COMMITTEE MEETING SCHEDULE. The Speaker shall prepare a schedule of committee meetings, fixing as far as practicable the day of the week and the hour for the regular meeting time of each committee. The schedule of committee meetings shall officially be made available to the news media. The chairman chair of any committee holding a special meeting or making a change in the regular schedule of meetings shall give written notice which may be announced from the desk and shall be posted on the bulletin board at least one day in advance of the change.

The chairman chair of each committee or subcommittee shall as far as practicable give three days notice of any meeting. The notice shall include the date, time, place and agenda for the meeting.

6.4 COMMITTEE PROCEDURES. Meetings of all committees of the House shall be open to the public except for any executive sessions which the committee on ethics deems necessary.

A majority of members of any committee shall constitute a quorum.

The Rules of the House shall be observed in all committees wherever they are applicable.

A committee may not require that an amendment be filed in advance of the consideration of the matter it proposes to amend.

Any member of any committee may demand a roll call on any bill, resolution, report, motion or amendment before the committee. Only upon such demand being made shall the roll be called and the vote of each member on the bill, resolution, report, motion or amendment be recorded in the committee minutes, together with the name of the member demanding the roll call.

A committee may reconsider any action so long as the matter remains in the possession of the committee. A committee member need not have voted with the prevailing side in order to move reconsideration.

**6.5 SUBCOMMITTEES.** The chairman chair of a committee shall appoint the chairman chair and members of each subcommittee. The chairman chair or the committee may refer bills to subcommittee. Any subcommittee may make such investigation or exercise such authority as is delegated to it by the chairman chair or the committee.

**6.6 COMMITTEE RECORDS.** The chairman chair or acting chairman chair of each standing committee shall cause a record to be kept, in the form prescribed by the Committee on Rules and Legislative Administration, which shall include the record of each bill referred to the committee and the minutes of the committee. The minutes shall include:

- a. The time and place of each hearing or meeting of the committee;
- b. Committee members present;
- c. The name and address of each person appearing before the committee, together with the name and address of the person, association, firm or corporation in whose behalf the appearance is made;
- d. The language of each motion, the name of the committee member making the motion, and the result of any vote taken upon the motion, including the yeas and nays whenever a roll call is demanded;

e. The date on which any subcommittee is created, the names of its members and the bills referred to it;

f. The record of each subcommittee meeting, including the time and place of the meeting; members present; the name of each person appearing before the subcommittee, together with the name of the person, association, firm or corporation in whose behalf the appearance is made; and the language of each motion, together with the name of the member making the motion, and the result of any vote taken upon the motion, including the yeas and nays whenever a roll call is demanded;

g. Other important matters related to the work of the committee.

The minutes shall be approved at the next regular meeting of the committee.

Copies of the minutes, after approval by the committee, shall be filed with the Chief Clerk and shall be open to public inspection in the Chief Clerk's office. At the end of the biennium they shall be delivered, together with the other committee records, to the Director of the Legislative Reference Library, where they shall remain open for public inspection during regular office hours. A copy of any page of any committee minutes may be obtained upon payment of a fee determined by the Chief Clerk to be adequate to cover the cost of preparing the copy.

The magnetic tape recording of any committee meetings shall be retained by the ~~chairman~~ chair until the minutes of that meeting have been approved by the committee. The recording or a copy of the recording shall then be filed with the Director of the Legislative Reference Library, where it shall be maintained for a period of two years from the date of filing for use by any person in accordance with the rules of the Legislative Reference Library. After expiration of the two-year period the recording may be erased and the tape may be reused.

Any person may obtain a copy of such tape during the period in which it is maintained in the Legislative Reference Library upon payment of a fee determined by the Chief Clerk to be sufficient to cover the cost of the copy. Testimony and discussion preserved under this rule is not intended to be admissible in any court or administrative proceeding on an issue of legislative intent.

6.7 COMMITTEE REPORTS. The ~~chairman~~ chair of a standing committee reporting to the House the action taken by ~~his~~ the committee upon any bill or resolution referred to it shall do so upon the form provided for such reports. Each bill or resolution shall be reported separately and the report shall be adopted or rejected without amendment.

The report shall contain the action taken by the committee and the date of such action and shall be authenticated by the signature of the chairman chair.

Before a committee reports favorably upon a bill or resolution, the chairman chair shall see that the form of the bill or resolution conforms to the Joint Rules of the House and Senate and these Rules.

Except during the last seven legislative days in any year, the committee report and any minority report shall be placed in the hands of the Chief Clerk at least four hours prior to the convening of the daily session.

The Committee on Rules and Legislative Administration may report at any time.

If a majority of the members of a standing committee finds a bill referred to the committee to be of a non-controversial nature, the report to the House may recommend that the bill be placed upon a separate calendar to be known as the Consent Calendar.

6.8 COMMITTEE BILLS. Any standing or special committee of the House may introduce a bill as a committee bill on any subject within its purview.

6.9 SUBSTITUTION OF BILLS. No standing or special committee nor any of its members shall report a substitute for any bill referred to the committee if the substitute relates to a different subject, is intended to accomplish a different purpose, or would require a title essentially different from that of the original bill. Whenever the House is advised that a substitute bill reported to the House is in violation of this rule, the report shall not be adopted.

6.10 SPECIAL COMMITTEES. Any special committee to which a matter has been referred shall in all cases report to the House a statement of facts and its opinions and conclusions thereon. COMMITTEE ON ETHICS. The Speaker shall appoint a Committee on Ethics. An equal number of members from the majority group and the minority group and one alternate from each group shall be appointed. The committee shall adopt written procedures, which shall include due process requirements, for handling complaints and issuing guidelines.

Complaints regarding a member's conduct must be submitted in writing to the Speaker by two or more members of the House and shall be referred to the committee within 15 days for processing by the committee according to its rules of procedure. Prior to referring the matter to the committee, the Speaker shall inform the member against whom a question of conduct has been raised of the nature of

the question raised. The Speaker, the members making the complaint, and the members of the Committee on Ethics shall hold the complaint in confidence until the committee or the member subject of the complaint cause a public hearing to be scheduled. Should the Speaker, any member, or any staff member disclose or cause to be made public a confidential complaint, that person shall be automatically referred to the Ethics Committee for disciplinary action. The committee shall act in an investigatory capacity and may make recommendations regarding questions of ethical conduct received prior to adjournment sine die.

Ethics committee recommendations for disciplinary action shall be referred to the Committee on Rules and Legislative Administration, which committee may adopt, amend, or reject the recommendations of the Ethics committee. Recommendations adopted by the Committee on Rules and Legislative Administration to expel, censure, or reprimand shall be reported to the House for final disposition.

6.11 CONFERENCE COMMITTEES. A conference committee may report at any time. No committee except a conference committee or the Committee on Rules and Legislative Administration shall sit during any daily session of the House without leave.

A conference committee report shall include only subject matter contained in the House or Senate versions of the bill for which that conference committee was appointed, or like subject matter contained in a bill passed by the House. The member presenting the conference committee report to the House shall disclose all substantive changes from the House version of the bill.

In an odd-numbered year except after Monday, May 11 . . . . ., a written copy of a report of a conference committee shall be placed on the desk of each member of the House 24 hours before action on the report by the House. If the report has been reprinted in the Journal of the House for a preceding day and is available to the members, the Journal copy shall serve as the written report.

6.12 COMMITTEE BUDGETS AND EXPENSES. The Committee on Rules and Legislative Administration shall establish a budget for each standing committee of the House for expenses incurred by the committee, its members, or its staff in conducting its legislative business. Per diem expense allowances paid to members during sessions or at times set by the Speaker shall not be charged against the budget. No committee shall incur expenses in excess of its authorized budget.

Employees shall be reimbursed for actual expenses in the same manner as state employees.

During sessions, for travel away from the Capitol, members shall

be reimbursed for actual expenses in the same manner as state employees in addition to per diem expense allowances.

All charges against the committee budget must be approved by the chairman chair before payment is made.

6.13 PUBLIC TESTIMONY. Public testimony from proponents and opponents shall be allowed on every bill or resolution before either a standing committee, division or subcommittee of the House.

#### ARTICLE VII - OFFICERS OF THE HOUSE

7.1 DUTIES AND PRIVILEGES OF THE SPEAKER. The Speaker shall preside over the House and shall have all the powers and be charged with all the duties of the presiding officer.

He The Speaker shall preserve order and decorum and he. The Speaker or the chairman chair of the Committee of the Whole may order the lobby or galleries cleared in the case of disorderly conduct or other disturbance.

Except as provided by rule or law, he the Speaker shall have general control of the Chamber of the House and of the corridors, passages and rooms assigned to the use of the House.

He The Speaker shall sign all acts, addresses, joint resolutions, writs, warrants and subpoenas of the House or issued by order of the House. He The Speaker shall sign all abstracts for the payment of money out of the legislative expense fund of the House; but no money shall be paid out of said fund unless the abstract is also signed by the Chief Clerk of the House.

He The Speaker shall appoint the Chief Sergeant at Arms or shall designate him that officer from among the Sergeants at Arms elected by the House or appointed by the Committee on Rules and Legislative Administration.

7.2 SPEAKER PRO TEMPORE. The Speaker shall appoint a member to preside, whenever the Speaker is absent, as Speaker pro tempore. In the absence of the Speaker and Speaker pro tempore, the Committee on Rules and Legislative Administration shall select a member to preside until the return of the Speaker or Speaker pro tempore.

7.3 DUTIES OF CHIEF CLERK. The Chief Clerk shall have general supervision of all clerical duties pertaining to the business of the House. He The Chief Clerk shall perform under the direction of the Speaker all the duties pertaining to his the office of Chief Clerk and shall keep records showing the situation status and progress of all bills, memorials and resolutions.

Neither the Chief Clerk nor any of his the Chief Clerk's assistants or employees shall permit any records or papers belonging to the House to be removed from their custody other than in the regular course of business. The Chief Clerk shall report any missing records or papers to the Speaker.

During a temporary absence of the Chief Clerk, the First Assistant Chief Clerk shall be delegated all the usual responsibilities of the Chief Clerk and is authorized to sign the daily journal, enrollments, abstracts and other legislative documents.

**7.4 ENGROSSMENT AND ENROLLMENT.** The Chief Clerk of the House shall have supervision over the engrossment and enrollment of bills. He The Chief Clerk shall cause to be kept a record by file number of the bills introduced in the House which have passed both houses and been enrolled.

**7.5 BUDGET AND PURCHASING.** The Director of House administrative services shall prepare a biennial budget for the House which must be approved by the Committee on Rules and Legislative Administration before it is submitted to the Committee on Appropriations.

The Director shall be the agent of the House of Representatives for the purchase of supplies. The Director shall seek the lowest possible prices and shall file timely reports of expenditures made with the Committee on Rules and Legislative Administration.

**7.6 BULLETIN BOARD.** The Chief Clerk shall prepare a bulletin board upon which shall be posted a list of committee and subcommittee meetings and any other announcements or notices the House may require.

**7.7 INDEX.** The Index Clerk, under the supervision of the Chief Clerk, shall prepare an index in which bills may be indexed by topic, number, author, subject, section of the code amended, committees, and any other subject that will make it a complete and comprehensive index. The index shall be open for public inspection at all times during the session and shall be printed in the permanent Journal of the House.

**7.8 DUTIES OF THE SERGEANT AT ARMS.** It shall be the duty of the Sergeant at Arms to carry out all orders of the House or the Speaker and to perform all other services pertaining to the office of Sergeant at Arms, including maintaining order in the Chamber and supervising entering and exiting from the Chamber and the prompt delivery of messages.

## ARTICLE VIII - EMPLOYEES OF THE HOUSE

8.1 APPOINTMENT OF EMPLOYEES. The Committee on Rules and Legislative Administration shall designate the position of and appoint each employee of the House and set the compensation of each officer and employee. A record of all such appointments, including positions and compensation, shall be kept in the office of the Chief Clerk and shall be open for inspection by the public.

The Committee on Rules and Legislative Administration, by resolution, shall establish the procedure for filling vacancies when the Legislature is not in session.

Any employee of the House may be assigned to other duties, suspended or discharged at any time by the Committee on Rules and Legislative Administration.

No employee of the House shall receive any pay, compensation, gratuity or reward over and above the salary named for the position except upon approval of a three-fourths vote of the whole House.

8.2 DUTIES OF EMPLOYEES. No employee shall make or permit to be made any copy or copies of any journal, bill, paper, file, record, or document in his that employee's possession or custody or to which he the employee has access except on request of a member of the House. No person other than a member of the House shall furnish or deliver any journal, bill, paper, file, record, document, or copy thereof to any person other than a member of the House except by or through the Chief Clerk with the approval or under the direction of the Committee on Rules and Legislative Administration, in accordance with these Rules, and upon such terms as such committee shall prescribe.

Any violation of this rule shall be cause for removal or discharge of the offender.

## ARTICLE IX - GENERAL PROVISIONS

9.1 RULE AS TO CONSTRUCTION. As used in these Rules the terms "majority vote" and "vote of the House" shall mean a majority of members present at the particular time. The term "vote of the whole House" shall mean a majority vote of all the members elected to the House for that particular session of the Legislature.

Singular words used in these Rules shall include the plural, unless the context indicates a contrary intention.

The words "he", "his" and "him" shall be construed to include "she", "hers" and "her" whenever the latter are appropriate.

9.2 MEDIA NEWS REPORTERS. Accredited representatives of the

press, press associations, and radio and television stations shall be accorded equal press privileges by the House. Any person wishing to report proceedings of the House may apply to the Committee on Rules and Legislative Administration for a press pass and assignment to suitable available space.

Television stations shall be permitted to televise sessions of the House.

9.3 DEADLINES. In odd-numbered years, committee reports on bills favorably acted upon by a committee in the house of origin after ~~Friday, April 10~~ . . . . ., and committee reports on bills originating in the other house favorably acted upon by a committee after ~~Tuesday, April 23~~ . . . . ., shall be referred in the House of Representatives to the Committee on Rules and Legislative Administration for disposition. However, referral is not required after the first deadline when, by the second deadline, a committee acts on a bill that is a companion to a bill that has then been acted upon by the first deadline in the Senate. This rule does not apply in the House Committees on Appropriations and on Taxes and to the education finance bill in the Committee on Education.

9.4 DISPOSITION OF BILLS. Adjournment of the regular session in any odd-numbered year to a day certain in the following year shall be equivalent to daily adjournment except that any bill on the Consent Calendar, Calendar, Special Orders or General Orders shall be returned to the standing committee last acting on the bill.

9.5 AUTHORIZED MANUAL OF PARLIAMENTARY PROCEDURE. The rules of parliamentary procedure contained in "Mason's Manual of Legislative Procedure" shall govern the House in all applicable cases in which they are not inconsistent with these Rules, the Joint Rules of the Senate and House of Representatives, or established custom and usage.

Wynia, Ogren, Himle and Schreiber moved to amend the proposed Permanent Rules of the House, as follows:

Page 25, line 29, delete "and"

Page 25, line 30, after "Ethics" insert ", and employees of the House"

Page 25, delete the sentence beginning on line 32 and insert "A complaint of a breach of the confidentiality requirement by a member or employee of the House shall be immediately referred by the Speaker to the Ethics Committee for disciplinary action."

The motion prevailed and the amendment was adopted.

Schreiber moved to amend the proposed Permanent Rules of the House, as amended, as follows:

Page 18, line 16, delete "April 6" and insert "February 15"

Page 18, strike lines 22 to 25

A roll call was requested and properly seconded.

The question was taken on the Schreiber amendment to the proposed rules, as amended, and the roll was called. There were 50 yeas and 76 nays as follows:

Those who voted in the affirmative were:

Abrams	Girard	Knickerbocker	Omann	Seaberg
Bennett	Gruenes	Limmer	Onnen	Stanius
Bishop	Gutknecht	Lynch	Ozment	Swiggum
Blatz	Hartle	Macklin	Pauly	Swenson
Boo	Haukoos	Marsh	Pellow	Tjornhom
Burger	Heap	McDonald	Poppenhagen	Tompkins
Dempsey	Henry	McPherson	Redalen	Uphus
Dille	Himle	Miller	Richter	Valento
Frederick	Hugoson	Morrison	Schafer	Waltman
Frerichs	Johnson, V.	Olsen, S.	Schreiber	Weaver

Those who voted in the negative were:

Anderson, G.	Greenfield	Lasley	Orenstein	Segal
Anderson, R.	Hasskamp	Lieder	Osthoff	Simoneau
Battaglia	Jacobs	Long	Ostrom	Skoglund
Bauerly	Janezich	McEachern	Otis	Solberg
Beard	Jefferson	McGuire	Pappas	Sparby
Begich	Jennings	McLaughlin	Pelowski	Steenma
Bertram	Johnson, A.	Milbert	Peterson	Trimble
Carlson, L.	Johnson, R.	Munger	Price	Tunheim
Carruthers	Kahn	Nelson, C.	Pugh	Vellenga
Clark	Kalis	Nelson, K.	Quinn	Wagenius
Conway	Kelly	Neuenschwander	Reding	Welle
Cooper	Kelso	O'Connor	Rest	Wenzel
Dauner	Kinkel	Ogren	Rodosovich	Williams
Dawkins	Kostohryz	Olson, E.	Sarna	Winter
Dorn	Krueger	Olson, K.	Scheid	Wynia
				Spk. Vanasek

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

Knickerbocker moved to amend the proposed Permanent Rules of the House, as amended, as follows:

Page 9, line 7, after "voting." insert "However, no member is required to vote on any matter concerning a resolution except for a resolution relating to the internal business of the House or the Legislature."

The motion prevailed and the amendment was adopted.

Knickerbocker moved to amend the proposed Permanent Rules of the House, as amended, as follows:

Page 6, line 12, after "COMMITTEE" insert "OR DIVISION"

Page 6, line 14, after "committee" insert "or division"

Page 6, line 20, after "committee" insert "or division"

Page 6, line 22, after "committee" insert "or division"

Page 6, line 24, after "committee" insert "or division"

Page 6, line 26, after "Committee" insert "or division"

The motion prevailed and the amendment was adopted.

Stanius, Valento, Schreiber, Omann, Limmer, Sviggum, Swenson, Lynch, Weaver, Gutknecht, Boo, Hugoson, Tompkins, Bennett, Tjornhom, Dempsey, Schafer, Girard, Pellow, Abrams and Macklin offered an amendment to the proposed Permanent Rules of the House, as amended.

#### POINT OF ORDER

Anderson, G., raised a point of order pursuant to rule 3.9 that the Stanius et al amendment was not in order. The Speaker ruled the point of order well taken and the amendment out of order.

Wynia moved to amend the proposed Permanent Rules of the House, as amended, as follows:

Page 22, delete lines 10 and 11

The motion prevailed and the amendment was adopted.

Sviggum moved to amend the proposed Permanent Rules of the House, as amended, as follows:

Page 12, lines 9 and 10, strike "Except in a standing committee"

Page 12, line 10, strike "shall at any time" and insert "may"

Page 12, line 12, before the period, insert "except:

(1) in a standing committee; or

(2) when the House is in session or in committee of the whole after the expiration of the deadline of Rule 9.3 for reports by standing committees on bills originating in the other house"

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

Carlson, D., was excused for the remainder of today's session.

Gutknecht, Dempsey, Schreiber, Gruenes, McDonald, Lynch, Girard, Sviggum and Scheid moved to amend the proposed Permanent Rules of the House, as amended, as follows:

Page 27, line 11, after "OFFICERS" insert "AND MEMBERS"

Page 27, after line 32, insert:

"7.2 DUTIES OF MEMBERS. No member of the House of Representatives may solicit or accept funds from a lobbyist or political action committee registered under Minnesota Statutes, chapter 10A, from the time the Legislature convenes in regular or special session until it either adjourns to the next year or adjourns sine die. This rule does not prohibit fundraising efforts during legislative sessions by the political party caucuses of the House or bar any fundraising for a special election to fill a vacancy in the House of Representatives."

Renumber the remaining rules

A roll call was requested and properly seconded.

Wynia moved that the Gutknecht et al amendment to the proposed rules, as amended, be referred to the Committee on Rules and Legislative Administration.

A roll call was requested and properly seconded.

The question was taken on the Wynia motion and the roll was called. There were 63 yeas and 57 nays as follows:

Those who voted in the affirmative were:

Battaglia	Bertram	Dawkins	Jacobs	Jennings
Bauerly	Carruthers	Dorn	Janezich	Johnson, A.
Beard	Clark	Greenfield	Jaros	Johnson, R.
Begich	Cooper	Hasskamp	Jefferson	Kahn

Kalis	McLaughlin	Otis	Rodosovich	Vellenga
Kelly	Munger	Pappas	Rukavina	Welle
Kelso	Nelson, C.	Pelowski	Sarna	Wenzel
Kinkel	Nelson, K.	Peterson	Simoneau	Williams
Kostohryz	O'Connor	Price	Solberg	Winter
Krueger	Ogren	Pugh	Sparby	Wynia
Lasley	Olson, K.	Quinn	Steensma	Spk. Vanasek
Lieder	Osthoff	Reding	Trimble	
McEachern	Ostrom	Rest	Tunheim	

Those who voted in the negative were:

Abrams	Girard	Lynch	Ozment	Swiggum
Anderson, G.	Gruenes	Macklin	Pauly	Swenson
Anderson, R.	Gutknecht	Marsh	Pellow	Tjornhom
Bennett	Hartle	McDonald	Poppenhagen	Tompkins
Blatz	Haukoos	McGuire	Redalen	Uphus
Burger	Heap	McPherson	Richter	Valento
Carlson, L.	Henry	Miller	Schafer	Wagenius
Conway	Himle	Morrison	Scheid	Waltman
Dempsey	Hugoson	Olsen, S.	Schreiber	Weaver
Dille	Johnson, V.	Omman	Seaberg	
Frederick	Knickerbocker	Onnen	Skoglund	
Frerichs	Limmer	Orenstein	Stanius	

The motion prevailed and the Gutknecht et al amendment to the proposed rules, as amended, was referred to the Committee on Rules and Legislative Administration.

Miller moved to amend the proposed Permanent Rules of the House, as amended, as follows:

Page 31, line 18, strike the comma and insert "or"

Page 31, lines 19 and 20, strike ", or established custom and usage"

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

Pauly was excused for the remainder of today's session.

Miller moved to amend the proposed Permanent Rules of the House, as amended, as follows:

Page 31, delete lines 15 to 20 and insert:

"9.5 SOURCES OF PARLIAMENTARY LAW. In cases of doubt or conflict in the parliamentary rules, reference to the authorities shall be made in the following order:

1st - the Minnesota Constitution

2nd - Minnesota Statutes

3rd - the Permanent Rules of the House of Representatives

4th - the Joint Rules of the Legislature

5th - custom and usage of the House of Representatives

6th - Mason's Manual of Legislative Procedure

If any point of order is resolved by reference to custom and usage, reference must be made to specific examples of the custom or usage as shown in the House Journal.

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

Carruthers was excused for the remainder of today's session.

Quinn moved to amend the proposed Permanent Rules of the House, as amended, as follows:

Page 25, line 13, to page 26, line 9, delete the new language and restore the old language

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

Olson, E., was excused for the remainder of today's session.

Quinn moved to amend the proposed Permanent Rules of the House, as amended, as follows:

Page 25, line 28, delete "nature of the question raised" and insert "complaint and the complainant's identity"

The motion prevailed and the amendment was adopted.

Kahn, Krueger and Dille moved to amend the proposed Permanent Rules of the House, as amended, as follows:

Page 15, line 22, after "desk" insert "when the House is not in session"

The motion prevailed and the amendment was adopted.

Beard was excused for the remainder of today's session.

Knickerbocker moved to amend the proposed Permanent Rules of the House, as amended, as follows:

Page 15, line 19, strike "CHAMBER" and insert "CAPITOL AREA"

Page 15, line 19, strike everything after the period

Page 15, strike lines 20 to 24 and insert "Smoking is prohibited in areas of the Capitol under the jurisdiction of the House of Representatives, including the House Chamber and Retiring Room and galleries, hearing rooms, minor corridors and offices, except private offices excluded from the definition of "public place" in section 144.413, subdivision 2, and areas meeting the criteria set out in section 16B.24, subdivision 9, for designation as smoking areas."

Schreiber moved that the Knickerbocker amendment to the proposed rules, as amended, be referred to the Committee on Rules and Legislative Administration. The motion did not prevail.

The question recurred on the adoption of the Knickerbocker amendment to the proposed rules, as amended. The motion prevailed and the amendment was adopted.

Olsen, S., and Quinn moved to amend the proposed Permanent Rules of the House, as amended, as follows:

Page 25, line 26, before "Prior" insert "Complaints may only relate to matters that may be considered under the Minnesota Constitution, Article IV, section 6"

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

Valento, Sviggum, Dempsey, Stanius, Hartle, Haukoos, Pauly, Poppenhagen, Macklin, Morrison, Gruenes and Carlson, D., moved to amend the proposed Permanent Rules of the House, as amended, as follows:

Page 9, after line 15, insert:

"2.6 MANNER OF VOTING. No member may vote on a question except at the member's own seat in the chamber. No member may vote for another member."

A roll call was requested and properly seconded.

## CALL OF THE HOUSE

On the motion of Wynia and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Abrams	Gutknecht	Limmer	Otis	Sparby
Anderson, G.	Hartle	Long	Ozment	Stanius
Anderson, R.	Hasskamp	Lynch	Pellow	Steensma
Bauerly	Haukoos	Macklin	Pelowski	Swiggum
Begich	Heap	Marsh	Peterson	Swenson
Bennett	Henry	McDonald	Poppenhagen	Tjornhom
Bertram	Himle	McEachern	Price	Tompkins
Bishop	Hugoson	McLaughlin	Pugh	Trimble
Blatz	Jacobs	McPherson	Quinn	Tunheim
Burger	Janezich	Milbert	Redalen	Uphus
Carlson, L.	Jaros	Miller	Reding	Valento
Clark	Jefferson	Morrison	Rest	Vellenga
Conway	Johnson, A.	Munger	Richter	Wagenius
Cooper	Johnson, R.	Nelson, C.	Rodosovich	Waltman
Dauner	Johnson, V.	Nelson, K.	Rukavina	Weaver
Dawkins	Kahn	O'Connor	Sarna	Welle
Dempsey	Kelly	Ogren	Schafer	Wenzel
Dille	Kelso	Olsen, S.	Scheid	Williams
Dorn	Kinkel	Olson, K.	Schreiber	Winter
Frederick	Knickerbocker	Omann	Seaberg	Wynia
Frerichs	Kostohryz	Onnen	Segal	Spk. Vanasek
Girard	Krueger	Orenstein	Simoneau	
Greenfield	Lasley	Osthoff	Skoglund	
Gruenes	Lieder	Ostrom	Solberg	

Wynia moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

The question recurred on the Valento et al amendment to the proposed rules, as amended, and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 52 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Abrams	Hartle	Macklin	Pellow	Swenson
Bennett	Haukoos	Marsh	Pelowski	Tjornhom
Blatz	Heap	McDonald	Poppenhagen	Tompkins
Dauner	Henry	McPherson	Pugh	Uphus
Dempsey	Himle	Miller	Richter	Valento
Dille	Hugoson	Morrison	Schafer	Waltman
Frederick	Johnson, A.	Olsen, S.	Schreiber	Weaver
Frerichs	Johnson, V.	Omann	Seaberg	Winter
Girard	Knickerbocker	Onnen	Skoglund	
Gruenes	Limmer	Ostrom	Stanius	
Gutknecht	Lynch	Ozment	Swiggum	

Those who voted in the negative were:

Anderson, G.	Greenfield	Lieder	Peterson	Steensma
Anderson, R.	Hasskamp	Long	Price	Trimble
Battaglia	Jacobs	McEachern	Quinn	Tunheim
Bauerly	Janezich	McLaughlin	Redalen	Vellenga
Begich	Jaros	Milbert	Reding	Wagenius
Bertram	Jefferson	Munger	Rest	Welle
Bishop	Kahn	Nelson, C.	Rodosovich	Wenzel
Burger	Kalis	Nelson, K.	Rukavina	Williams
Carlson, L.	Kelly	O'Connor	Sarna	Wynia
Clark	Kelso	Ogren	Scheid	Spk. Vanasek
Conway	Kinkel	Olson, K.	Segal	
Cooper	Kostohryz	Orenstein	Simoneau	
Dawkins	Krueger	Osthoff	Solberg	
Dorn	Lasley	Otis	Sparby	

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

Kostohryz moved to amend the proposed Permanent Rules of the House, as amended, as follows:

Page 1, line 12, strike "After" and insert "A"

Page 1, line 12, after "prayer" insert "shall be said"

Page 1, line 12, after "or" insert "time allowed for"

Page 1, line 12, strike the comma and insert "Then, on the first legislative day in any calendar week, it shall be followed by the pledge of allegiance to the flag of the United States of America. Then"

A roll call was requested and properly seconded.

The question was taken on the Kostohryz amendment to the proposed rules, as amended, and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 112 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Abrams	Conway	Gutknecht	Johnson, A.	Limmer
Anderson, G.	Cooper	Hartle	Johnson, R.	Long
Anderson, R.	Dauner	Hasskamp	Johnson, V.	Lynch
Bauerly	Dawkins	Haukoos	Kalis	Macklin
Begich	Dempsey	Heap	Kelly	Marsh
Bennett	Dille	Henry	Kelso	McEachern
Bertram	Dorn	Himle	Kinkel	McGuire
Bishop	Frederick	Hugoson	Knickerbocker	McLaughlin
Blatz	Frerichs	Jacobs	Kostohryz	McPherson
Burger	Girard	Janezich	Krueger	Milbert
Carlson, L.	Greenfield	Jaros	Lasley	Miller
Clark	Gruenes	Jefferson	Lieder	Morrison

Nelson, C.	Ozment	Richter	Steensma	Waltman
Nelson, K.	Pellow	Rodosovich	Sviggum	Weaver
O'Connor	Pelowski	Sarna	Swenson	Welle
Ogren	Peterson	Schafer	Tjornhom	Wenzel
Olsen, S.	Poppenhagen	Schreiber	Tompkins	Williams
Olson, K.	Price	Seaberg	Trimble	Winter
Omann	Pugh	Segal	Tunheim	Wynia
Onnen	Quinn	Simoneau	Uphus	Spk. Vanasek
Orenstein	Redalen	Skoglund	Valento	
Ostrom	Reding	Sparby	Vellenga	
Otis	Rest	Stanisus	Wagenius	

Those who voted in the negative were:

Kahn	McDonald	Munger	Osthoff	Scheid
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The motion prevailed and the amendment was adopted.

The question recurred on the Wynia motion that the report of the Committee on Rules and Legislative Administration and the proposed Permanent Rules of the House for the 76th Session, as amended, be now adopted.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 119 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Gruenes	Lasley	Osthoff	Skoglund
Anderson, G.	Gutknecht	Lieder	Ostrom	Solberg
Anderson, R.	Hartle	Limmer	Otis	Sparby
Battaglia	Hasskamp	Long	Ozment	Stanisus
Bauerly	Haukoos	Lynch	Pellow	Steensma
Begich	Heap	Macklin	Pelowski	Sviggum
Bennett	Henry	Marsh	Peterson	Swenson
Bertram	Himle	McDonald	Poppenhagen	Tjornhom
Bishop	Hugoson	McGuire	Price	Tompkins
Blatz	Jacobs	McLaughlin	Pugh	Trimble
Burger	Janezich	McPherson	Quinn	Tunheim
Carlson, L.	Jaros	Milbert	Redalen	Uphus
Clark	Jefferson	Miller	Reding	Valento
Conway	Johnson, A.	Morrison	Rest	Vellenga
Cooper	Johnson, R.	Munger	Richter	Wagenius
Dauner	Johnson, V.	Nelson, C.	Rodosovich	Waltman
Dawkins	Kahn	Nelson, K.	Rukavina	Weaver
Dempsey	Kalis	O'Connor	Sarna	Welle
Dille	Kelly	Ogren	Schafer	Wenzel
Dorn	Kelso	Olsen, S.	Scheid	Williams
Frederick	Kinkel	Olson, K.	Schreiber	Winter
Frerichs	Knickerbocker	Omann	Seaberg	Wynia
Girard	Kostohryz	Onnen	Segal	Spk. Vanasek
Greenfield	Krueger	Orenstein	Simoneau	

The motion prevailed and the Permanent Rules of the House for the 76th Session were adopted.

So the report of the Committee on Rules and Legislative Administration and the Permanent Rules of the House for the 76th Session were adopted as follows:

## PERMANENT RULES OF THE HOUSE OF REPRESENTATIVES

### ARTICLE I - DAILY BUSINESS

1.1 CONVENING OF THE HOUSE. Unless otherwise ordered, regular sessions of the House shall convene at two-thirty p.m. The Speaker shall take the chair at the hour at which the House convenes and the House shall then be called to order. A prayer shall be said by the Chaplain or time allowed for a brief meditation. Then, on the first legislative day in any calendar week, it shall be followed by the pledge of allegiance to the flag of the United States of America. Then a roll of members shall be called and the names of members present and members excused shall be entered in the Journal of the House.

1.2 READING OF THE JOURNAL. A quorum being present, the Journal of the preceding day shall be read by the Chief Clerk unless otherwise ordered. The House may correct any errors in the Journal of the preceding day.

1.3 ORDER OF BUSINESS. After the reading of the Journal, the order of business of the day shall be:

- (1) Presentation of petitions or other communications.
- (2) Reports of standing committees.
- (3) Second reading of House bills.
- (4) Second reading of Senate bills.
- (5) Reports of select committees.
- (6) Introduction and first reading of House bills.
- (7) Consideration of messages from the Senate.
- (8) First reading of Senate bills.
- (9) Consent Calendar.
- (10) Calendar for the day.
- (11) General Orders.

(12) Motions and resolutions.

Conference committees and the Committee on Rules and Legislative Administration may report at any time.

1.4 SECOND READING OF BILLS. Every bill shall require a second reading.

Except as otherwise ordered, every bill requiring the approval of the Governor shall, after a second reading, be considered in a Committee of the Whole before it shall be finally acted upon by the House.

1.5 COMMITTEE OF THE WHOLE. The Committee of the Whole is a committee of the entire membership of the House. The Speaker may appoint another member as chair to preside over the Committee of the Whole.

When the House arrives at the General Orders of the Day, it shall resolve itself into a Committee of the Whole to consider bills on General Orders.

A bill considered in the Committee of the Whole shall be reported and then debated by sections, with the title considered last. All amendments shall be typewritten and five copies shall be submitted to the Chair who shall report them to the House.

1.6 RULES TO APPLY TO COMMITTEE OF THE WHOLE. The Rules of the House shall be observed in the Committee of the Whole so far as may be applicable except that the previous question shall not be forced or speaking limited.

Upon demand of 15 members, the yeas and nays shall be called, the question voted on, and the yeas and nays recorded in the Journal of the House.

In the Committee of the Whole no amendment increasing the amount of any appropriation shall be passed without the yeas and nays recorded in the Journal of the House.

A motion that the Committee arise shall always be in order and shall be decided without debate.

1.7 GENERAL ORDERS OF THE DAY. The Chief Clerk at the direction of the Speaker shall prepare the General Orders of the Day, which is a list of all bills which have not been made Special Orders or placed on the Consent Calendar, numbered according to their order at second reading. Unless otherwise ordered by a majority of the Committee, items on General Orders shall be taken up in numerical order.

The Chief Clerk shall see that a copy of each bill printed under the Rules or Orders of the House is placed in each member's file, which is to be kept at the member's desk in the chamber, at least 24 hours before the bill shall be considered in the Committee of the Whole. Under the first order of business each day, the Chief Clerk shall report to the House which bills have been placed in the files.

If a bill is progressed three times it shall be placed at the end of General Orders.

Except during the last five days in any year on which a bill may be passed, a bill amended in the Committee of the Whole shall not be given its third reading until it is engrossed and reproduced as amended.

**1.8 THIRD READING OF BILLS.** No amendment shall be received after the third reading without the unanimous consent of the House, except to fill blanks or to amend titles.

At any time prior to its passage any bill or resolution may be referred or re-referred by a majority vote of the whole House. If the committee, other than the Committee of the Whole, to which it was referred or re-referred reports an amendment on it, it shall again be given its second reading, considered in Committee of the Whole, given its third reading and placed upon its final passage.

**1.9 SPECIAL ORDERS.** A bill may be made the Order of the Day for a special time and be placed upon a separate list known as "Special Orders."

The Committee on Rules and Legislative Administration may by committee report designate as a Special Order any bill which has had its second reading.

Any member may move to make a bill a Special Order by giving notice at least two legislative days in advance of and specifying the day on which the member will so move. The notice shall include the number and title of the bill and the day and time certain for the Special Order. Only the member giving such notice, or another member designated in writing by the member who originally gave notice of the Special Order to the Speaker, may make the motion for the Special Order. A two-thirds vote of the whole House on such motion is required to make a bill a Special Order.

The time set for the motion may not be extended, and failure to make the motion on the specified day forfeits the right to make the motion.

A motion to make a bill a Special Order, when made according to the procedures herein prescribed, shall be a privileged motion, shall

take precedence over all other motions except a motion to adjourn or to set the time to adjourn and questions of personal privilege, and may be made at any time on the day designated in the notice. A three-fourths vote of the whole House is required to suspend the motion.

Any Special Order, or any part of it, may be continued or postponed by two-thirds vote of the whole House at the time of such Special Order; however, a Special Order designated by the Committee on Rules and Legislative Administration may be continued or postponed by a majority vote of the whole House at the time of such Special Order.

When the time arrives for the consideration of any Special Order, the House shall consider each bill upon the Special Order in the order in which it is listed. After consideration it shall immediately be read the third time and placed upon final passage.

1.10 TAX AND APPROPRIATION BILLS GIVEN PRECEDENCE. Any bill relating to taxes or raising revenue shall be acted upon whenever requested by the Chair of the Committee on Taxes, and any appropriation bill shall be acted upon whenever requested by the Chair of the Committee on Appropriations.

1.11 CONSENT CALENDAR. Any bill of a non-controversial nature for which the committee report recommends placement upon the Consent Calendar shall be given its second reading after the report is adopted and placed upon the Consent Calendar. The bill shall be printed and placed in the members' files at least one day before it can be considered. The bill shall be placed upon the Consent Calendar in the order in which it is given its second reading.

The Consent Calendar shall immediately precede the order of business known as "Calendar for the Day." Every bill on the Consent Calendar shall be debated, given its third reading and voted upon, provided, however, that at any time prior to third reading, ten members may object to any bill as being controversial. Any bill so objected to shall be stricken from the Consent Calendar and be immediately placed upon General Orders, taking its place in the usual order.

1.12 SUSPENSION OF RULES TO ADVANCE A BILL. Every bill shall be reported on three different days, except that in case of urgency, a two-thirds majority of the whole House may suspend this Rule. A motion for suspension of the Rules to advance a bill for consideration out of its regular order is in order under the order of business "Motions and Resolutions" or at any time the bill is before the House. The motion must be presented to the Speaker in writing and must state the present position of the bill.

1.13 MINORITY REPORTS. Any minority report shall be made

separately from the majority report and shall be considered before the majority report. If the minority report is adopted the majority report shall not be considered. If the minority report is not adopted the majority report shall then be considered.

1.14 COMMITTEE REPORT LAID OVER. The report of any committee may be laid over one day and printed in the Journal, if so ordered by the House.

1.15 RECALLING BILL FROM COMMITTEE OR DIVISION. Except after the deadline for committee reports on bills originating in the House, any bill or resolution may be recalled from any committee or division at any time by majority vote of the whole House, be given a second reading and be advanced to General Orders. A motion to recall a bill or resolution shall be in order only under the order of business "Motions and Resolutions."

1.16 TIME LIMIT FOR CONSIDERATION OF BILLS. If 20 legislative days after a bill has been referred to committee or division (other than a bill in Appropriations) no report has been made upon it by the committee or division, its chief author may request that it be returned to the House and the request shall be entered in the Journal for the day. The committee or division shall have ten calendar days thereafter in which to vote upon the bill requested. If the Committee or division fails to vote upon it within the ten days, the chief author may, at any time within five calendar days thereafter, present a written demand to the Speaker for its immediate return to the House. The demand shall be entered in the Journal for that day and shall constitute the demand of the House. The bill shall then be considered to be in the possession of the House, given its second reading and placed at the end of General Orders.

Such bill is subject to re-reference by a majority vote of the whole House. If the motion to re-refer is made on the day of the demand or within one legislative day thereafter, the motion shall take precedence over all other motions except privileged motions and shall be in order at any time.

After . . . . ., the House shall not act on bills other than those recommended by conference committee reports or the Committee on Rules and Legislative Administration, and those bills contained in messages from the Senate or from the Governor.

1.17 DISPOSITION OF SENATE BILLS. Any Senate File received by the House, accompanied by a message announcing its passage by the Senate, shall be referred to the appropriate standing committee in accordance with Rule 5.4. However, if a Senate File is received which is stated by a member to be identical to a House File already reported by a standing committee of the House and placed on General Orders, Calendar, Consent Calendar, or Special Orders, the Senate File shall be referred to the Chief Clerk for comparison. If the

Chief Clerk reports that the Senate File is identical with the House File, the Senate File may by majority vote be substituted for the House File and take its place. The fact that the bills are identical shall be entered in the Journal and the House File is then considered withdrawn.

Any Senate File which has been amended on the floor of the House, except at time of final passage, and any Senate File which has been reported to the House with amendments by a House standing committee, shall be unofficially engrossed and reprinted by the Chief Clerk. Amendments to unofficial engrossments of a Senate File may be offered by members on the floor of the House but shall not be offered in standing committees.

1.18 RECORDED FLOOR PROCEEDINGS. All proceedings on the floor of the House shall be recorded on magnetic tape or similar recording device under the direction of the Chief Clerk. Two copies of each tape shall be delivered to the Director of the Legislative Reference Library and there maintained on file for use by any member of the public in accordance with the rules of the Legislative Reference Library. At the end of each biennium, the Director of the Legislative Reference Library shall deliver one copy of each tape to the Director of the Minnesota Historical Society.

Any person may obtain a copy of any such tape during the biennium in which it is recorded upon payment of a fee determined by the Chief Clerk to be adequate to cover the cost of preparing the copy.

Discussion preserved under this rule is not intended to be admissible in any court or administrative proceeding on an issue of legislative intent.

## ARTICLE II - VOTING

2.1 AUTHORIZING ELECTRIC VOTING SYSTEM. Except for a vote upon elections or the overriding of a Governor's veto, any vote may be taken by means of the electric voting system which shall be under the control of the Speaker of the House.

2.2 CALL OF THE HOUSE. Ten members may demand a call of the House at any time except after voting has commenced. When such call is demanded, the doors shall be closed, the roll shall be called, the absent members shall be sent for, and no member may be permitted to leave until the roll call is suspended or completed. During the roll call, no motion shall be in order except a motion pertaining to matters incidental to the call. Proceedings under the roll call may be suspended by a majority vote of the whole House. After the roll call is suspended or completed the Sergeant at Arms shall not permit any member to leave the Chamber unless excused

by the Speaker. A call of the House may be lifted by a majority vote of the whole House.

2.3 DEMANDING YEAS AND NAYS. Yeas and nays shall be ordered without demand upon final passage of bills and upon adoption of resolutions or motions directing the payment of money. In all other cases the yeas and nays shall be ordered only upon demand of 15 members.

2.4 EXPLAINING OR CHANGING VOTE. No member shall be allowed to explain a vote or discuss the question while the yeas and nays are being taken, nor be allowed to change a vote after the yeas and nays have been announced from the chair by the Speaker.

2.5 EVERY UNEXCUSED MEMBER TO VOTE. Any member who is immediately interested in the question being voted on shall not vote.

Every other member present before a vote is declared from the chair shall vote for or against the matter before the House, unless the House excuses the member from voting. However, no member is required to vote on any matter concerning a resolution except for a resolution relating to the internal business of the House or the Legislature.

A member who declines to vote on a call of the member's name shall be required to state reasons for so declining. After the vote has been taken but before the chair has announced the vote, the chair shall submit to the House the question, "Shall the member, for the reasons stated, be excused from voting?" which shall be decided without debate. Any other proceedings in reference thereto shall take place after announcement of the vote.

### ARTICLE III - MOTIONS AND AMENDMENTS

3.1 AMENDMENTS AND OTHER MOTIONS. No amendment or other motion shall be debated until after it is stated by the Speaker.

After an amendment or other motion has been stated by the Speaker it is in possession of the House, but the mover may withdraw it at any time before amendment or decision. Unless a motion, resolution or amendment is withdrawn on the day it is made, it shall be entered in the Journal, together with the name of the member offering it.

The Speaker may require any amendment or other motion be typewritten and that five copies be given to the Chief Clerk.

3.2 PRECEDENCE OF MOTIONS. When a question is under consideration, no motion shall be received except the following, the first four of which shall be decided without debate:

- (1) To fix the time of adjournment.
- (2) To adjourn.
- (3) To lay on the table.
- (4) For the previous question.
- (5) To refer.
- (6) To postpone to a day certain.
- (7) To amend.
- (8) To postpone indefinitely.
- (9) To pass.

The motions shall have precedence in the order listed. However, if the motion for the previous question has been seconded and the main question ordered, the motion to lay on the table shall not be in order.

**3.3 MOTION TO ADJOURN.** A motion to adjourn shall always be in order except during roll call.

When a motion to adjourn is made it shall be in order for the Speaker, before putting the question, to permit any member to state reasons which would seem to render adjournment improper at that time. Such a statement shall not be debatable and shall be limited to not over two minutes.

**3.4 MOTION FOR RECONSIDERATION.** When a question has been decided either in the affirmative or negative, it shall be in order for any member who voted with the prevailing side to move its reconsideration, provided that such motion is made either on the same day the vote was taken or within the following two days of actual session of the House. A motion for reconsideration can be made at any time in the Order of Business and shall take precedence over all other questions except the motion to adjourn and the notice of intention to move reconsideration. Such motion or notice shall not be in order if the document, bill, resolution, message, report or other official action on which the vote was taken shall have left the possession of the House.

When a member gives notice of intention to move reconsideration of the final action of the House on any bill, resolution, message, report or other official action, the Chief Clerk shall retain the same until after the matter is disposed of or the time has expired during which the motion for reconsideration can be made.

On the last day allowed for the motion to reconsider, it shall be in order for any member who voted on the prevailing side to make the motion, unless the matter has been already disposed of.

A motion for reconsideration having been voted upon and lost shall not be renewed.

In an odd-numbered year, notice of intention to move reconsideration shall not be in order after .....

**3.5 ORDER OF PUTTING QUESTION.** Except in the case of privileged questions, all questions, whether in committee or in the House, shall be put in the order in which they are moved. When filling blanks, a motion for the largest sum or the longest time shall be put first.

**3.6 DIVISION OF A QUESTION.** Any member may request the division of a question which contains several separate and distinct points. A motion to strike out and insert shall not be divisible. If a motion to strike out is lost it shall not preclude another motion to amend or to strike out and insert.

**3.7 THE PREVIOUS QUESTION.** The motion calling for the previous question must be seconded by 15 members. If the motion for the previous question is ordered by a majority of members present, it shall have the effect of cutting off all debate and bringing the House to direct vote upon the question or questions.

The previous question may be moved and ordered upon a single motion, a series of motions allowable under the Rules, or an amendment or amendments; or it may include all authorized motions or amendments, including a vote on final passage of a bill.

On a motion for the previous question, but prior to its being ordered, a call of the House shall be in order. After a majority has ordered the previous question, no call shall be in order prior to the decision on the main question.

When the previous question is decided in the negative, the main question remains under debate until disposed of by taking a vote either on the question or in some other manner.

All incidental questions of order arising after a motion is made for the previous question and prior to the vote on the main question shall be decided without debate.

**3.8 AMENDMENTS TO AMENDMENTS.** An amendment may be amended, but an amendment to an amendment may not be amended.

**3.9 MOTIONS AND PROPOSITIONS TO BE GERMANE.** No motion or

proposition on a subject different from that under consideration shall be admitted under guise of its being an amendment.

3.10 AMENDMENT NOT TO ANNEX ANOTHER BILL. Except in a standing committee no bill or resolution shall at any time be amended by annexing or incorporating any other bill or resolution.

3.11 RESOLUTIONS AND MOTIONS INVOLVING EXPENDITURE OF MONEY. Any resolution or motion involving the expenditure of money out of the legislative expense fund shall be referred to the Committee on Rules and Legislative Administration before being acted upon by the House. A majority vote of the whole House, determined by a roll call, is required to pass any such resolution or motion.

3.12 AMENDMENTS TO APPROPRIATION AND TAX BILLS. No amendment increasing an appropriation and no amendment increasing a tax shall be declared passed until voted for by a majority of the whole House determined by a roll call vote.

3.13 MOTION TO LAY ON THE TABLE. A motion to lay on the table shall not be in order on a motion to amend, except that a motion to amend the Rules may be tabled.

3.14 MOTION TO RESCIND. The motion to rescind shall not be in order at any time in any proceeding in the House or in any committee of the House.

3.15 SUSPENSION OR AMENDMENT OF THE RULES. The concurrence of two-thirds of the whole House is required to suspend, alter, or amend any Rule of the House, except that any amendment to the Rules reported by the Committee on Rules and Legislative Administration may be adopted by a majority of the whole House.

Except as provided in Rule 1.12, a motion to suspend, alter, or amend any Rule of the House must be made under the order of business "Motions and Resolutions." If the motion is made at any other time, unanimous consent is required before the Speaker can entertain the motion.

A motion to suspend the Rules, together with the subject matter to which it pertains, is debatable, but the previous question may be applied to the motion.

#### ARTICLE IV - DEBATE AND DECORUM

4.1 ABSENCE OF MEMBERS AND OFFICERS. Unless illness or other sufficient cause prevents attendance, no member or officer of the House shall be absent from any session of the House without first having obtained from the Speaker permission to be absent.

4.2 DUTIES OF MEMBERS. Members shall keep their seats until the Speaker announces adjournment.

Every member, before speaking, shall rise and respectfully address the Speaker and shall not speak further until recognized by the Speaker. When two or more members rise at the same time, the Speaker shall designate the member to speak first.

4.3 QUESTIONS OF ORDER. If any member of the House transgresses the Rules, either in speaking or in any other way, the Speaker shall, or any member may, call the member to order. A member so called to order shall immediately sit down unless another member moves to permit the member who was called to order to explain. In either case, the House, if appealed to, shall decide without debate. Only if the decision is in favor of the member called to order shall that member be at liberty to proceed. A member called to order shall be liable to censure or such other punishment as the House may deem proper.

4.4 ORDER IN DEBATE. No member shall speak more than twice on the same subject without leave of the House, nor more than once until every other member wishing to speak on the pending question has had an opportunity to do so.

4.5 NOTICE OF INTENTION TO DEBATE A RESOLUTION. Any member may give notice of intention to debate a resolution. Such notice may be given at any time before the vote is taken on the resolution. If such notice is given, the resolution shall be laid over one day without debate or any other action.

4.6 OFFENSIVE WORDS IN DEBATE. If any member is called to order for offensive words in debate, the member calling for order shall report the words to which exception is taken and the Clerk shall record them. No member shall be held to answer or be subject to censure of the House for any language used in debate if exception is not taken before any other member has spoken or any other business has taken place.

4.7 ORDER DURING SESSION. No member shall walk out of or across the Chamber when the Speaker is putting the question. No member shall engage in private conversation while another member is speaking or pass between the speaking member and the Chair.

4.8 NO ONE TO REMAIN BY THE CHIEF CLERK'S DESK. No member or other person shall remain by the Chief Clerk's desk while the yeas and nays are being called.

4.9 WHO MAY BE ADMITTED TO THE FLOOR. No person shall be admitted within the House Chamber, except members themselves, properly authorized employees, the Chief Executive and ex-gover-

nors of the State of Minnesota, members of the Senate, heads of departments of the state government, judges of the Supreme and District Courts, members of Congress, properly accredited representatives of radio and television stations, newspapers and press associations, as herein provided for, and none other. When a former member of Congress or the Minnesota Legislature or any other person is issued a permit by the Speaker good for the day, that person shall be provided with a seat near the Speaker's rostrum, and at no time shall a conversation be carried on so as to disturb the business of the House. Before issuing the permit, the Speaker shall make certain that the person does not seek the floor of the House for the purpose of influencing decisions of the House.

The alcoves shall be kept for the use of members only, and the Sergeant at Arms shall keep them cleared.

It shall not be in order for the Speaker to entertain a request for the suspension of this Rule, or to present from the Chair the request of any member for unanimous consent unless an extraordinary condition exists, in which event the Speaker may consent to entertain a motion for its suspension.

During the period extending from one hour prior to the time the House is scheduled to convene until one hour after the House adjourns for the day, the retiring room shall be reserved for the exclusive use of the members and employees of the House or Senators specifically authorized to be present by a House member. No committee meetings shall be held therein except for emergency meetings authorized by the Speaker of the House. The Sergeant at Arms is charged with the duty of strict enforcement of this provision.

**4.10 PRESENTATION OF PETITIONS.** Any petition, memorial or other paper presented to the House shall include the name of the member introducing it and a brief description of its contents and shall be presented by the Speaker, who shall state briefly its contents.

**4.11 NO SMOKING IN HOUSE CAPITOL AREA.** Smoking is prohibited in areas of the Capitol under the jurisdiction of the House of Representatives, including the House Chamber and Retiring Room and galleries, hearing rooms, minor corridors and offices, except private offices excluded from the definition of "public place" in section 144.413, subdivision 2, and areas meeting the criteria set out in section 16B.24, subdivision 9, for designation as smoking areas.

#### ARTICLE V - BILLS

**5.1 BILL AND RESOLUTION FORM.** No bill or resolution shall be introduced until it has been examined and approved by the Revisor of Statutes as to form and compliance with the Joint Rules of the

House and Senate and the Rules of the House. Approval as to form shall be endorsed on the bill or resolution by the Revisor of Statutes.

**5.2 INTRODUCTION OF BILLS AND RESOLUTIONS.** A bill, advisory bill or resolution offered for introduction shall be placed in the hands of the Speaker at least 24 hours prior to the convening of the daily session. Every bill, advisory bill and resolution shall be introduced in quadruplicate and each copy shall contain the signature of the member or name of the committee introducing it. No bill, advisory bill, memorial or resolution shall have more than five authors. A statement of facts being forwarded for action to a governmental official, agency, or body or other similar proposal is a memorial and shall be introduced in the same form as a bill and take the same course as a bill. No resolution shall authorize the expenditure of monies from any source other than the legislative expense fund.

**5.3 ADVISORY BILLS.** An advisory bill may be introduced by any member in the same manner as a bill except that the requirements of Rule 5.1 shall not apply.

Each advisory bill shall be typewritten on a form provided by the Chief Clerk. It shall have a title not exceeding 12 words in length and shall contain a specific proposal for the initiation, termination or alteration of a law or program of the state or any of its subdivisions. It need not be drafted in a form appropriate for enactment into law.

An advisory bill may be considered only in committee and shall not be given a second reading or be otherwise considered by the House, except that the committee may report its recommendation for re-referral to another committee.

**5.4 FIRST READING AND REFERENCE OF BILLS.** Each bill, advisory bill and resolution shall be reported and given its first reading upon its introduction. No bill, advisory bill or resolution shall be objected to upon its introduction.

Except as provided in Rule 1.17 and Rule 5.5 each bill, advisory bill or resolution shall, after first reading, be referred by the Speaker to the appropriate standing committee or division thereof.

Congratulatory resolutions are exempt from this rule and may be adopted by the Committee on Rules and Legislative Administration without further consideration by the House.

Except as otherwise provided in these Rules, after a bill, advisory bill or resolution has been referred by the Speaker, a majority vote of the whole House shall be required for a re-referral of the bill, advisory bill or resolution by the House.

5.5 COMMITTEE BILLS. A committee bill shall be read for the first time and may be referred by the Speaker to any standing committee. If it is not so referred, it shall be laid over one day. It shall then be read for the second time and placed upon General Orders, or, if recommended by the Committee, upon the Consent Calendar.

5.6 PRINTING OF BILLS. Every bill shall be printed after it has been given its second reading. A bill may be printed at any other time a majority of the House so orders.

5.7 BILLS CARRYING AN APPROPRIATION. Any bill, whether originating in the House or Senate, carrying an appropriation, or which may involve any present or future financial obligation on the part of the State, after being reported to the House, shall be referred, or re-referred, as the case may be, to the Committee on Appropriations for action by that committee. Any committee, other than the Committee on Appropriations, to which such bill has been referred shall note in its report that the bill carries an appropriation.

5.8 BILLS AFFECTING STATE GOVERNMENT POWERS AND STRUCTURE. Any bill, whether originating in the House or the Senate, which creates any new department, agency, commission, board or bureau, or which substantially changes or alters the organization of or delegates emergency rulemaking authority to or exempts from rulemaking any department or agency thereof of state government, or substantially changes, alters, vests or divests official rights, powers, or duties of any official, department or agency of the state government or any institution under its control, after being reported to the House, shall be referred, or re-referred, as the case may be, to the Committee on Governmental Operations for action by that committee. Any committee other than the Committee on Governmental Operations to which such bill is referred shall, in its report, recommend re-referral to the Committee on Governmental Operations.

5.9 BILLS AFFECTING TAXES. Any bill whether originating in the House or Senate, which substantially affects state tax policy or the administration of state tax policy, after being reported to the House, shall be referred, or re-referred, as the case may be, to the Committee on Taxes for action by that committee. Any standing committee other than the Committee on Taxes to which such a bill is referred shall, in its report, recommend re-referral to the Committee on Taxes.

5.10 WAYS AND MEANS COMMITTEE; RESOLUTION; EFFECT ON EXPENDITURES AND TAX BILLS. The Committee on Ways and Means shall hold hearings as necessary to determine state expenditures and taxes for the coming fiscal biennium. No later than April 6, 1989, the Committee on Ways and Means shall report a budget resolution to the House for consideration. The budget resolution shall take the form of a House resolution that sets the maximum limitation on

expenditures and taxes for the coming fiscal biennium for the general fund and an amount to be set aside as a budget reserve. The limitation is effective, if adopted, unless the House adopts a different limitation in a subsequent budget resolution that accounts for increases or decreases in general fund revenues and expenditures anticipated for the current fiscal biennium.

No bill described in Rule 5.7 or 5.9 shall be given its second reading until the House has received a statement from the Committee on Ways and Means certifying that the major expenditure and tax bills are reconciled and do not exceed the limitation specified in the budget resolution for the general fund. Major expenditure and tax bills are: the education appropriation bill; the health and human services appropriation bill; the state departments appropriation bill; the agriculture, transportation and semi-state appropriation bill; the education finance bill; and the omnibus tax bill. However, a bill may be given its second reading by special authorization of the Committee on Ways and Means or by majority vote of the whole House. A special authorization may be reported by an oral notice to the House from the Chair of the Committee on Ways and Means or a designee of the Chair stating that the fiscal impact of a bill will be accounted for in the reconciliation statement.

The Committee on Appropriations and the Committee on Taxes, upon recommending passage of any bill described in Rule 5.7 or 5.9, shall provide to the Committee on Ways and Means a fiscal statement on the bill.

After the House has received a reconciliation statement from the Committee on Ways and Means, the House shall not give a second reading to any bill described in Rule 5.7 or 5.9 other than the major expenditure and tax bills. However, a bill may be given its second reading after the House has received from the Committee on Ways and Means a statement certifying that the fiscal impact of the bill is within the guidelines of the budget resolution, or after authorization by majority vote of the whole House. The statement of the Committee on Ways and Means may be reported orally by the Chair of the Committee on Ways and Means or a designee of the Chair.

**5.11 RECESS BILL INTRODUCTIONS.** During the period between the last day of the session in any odd-numbered year and the first day of the session in the following year, any bill filed with the Speaker for introduction shall be given a file number and may be unofficially referred to an appropriate standing committee of the House of Representatives.

**5.12 BILLS PROPOSING CONSTITUTIONAL AMENDMENTS.** Any bill, whether originating in the House or Senate, which proposes a constitutional amendment, after being reported to the House, shall be referred, or re-referred, as the case may be, to the Committee on Rules and Legislative Administration for action by that committee.

Any committee, other than the Committee on Rules and Legislative Administration, to which such bill has been referred, shall, in its report, recommend re-referral to the Committee on Rules and Legislative Administration.

#### ARTICLE VI - COMMITTEES - POWERS AND DUTIES

6.1 COMMITTEES. Standing committees of the House shall be appointed by the Speaker as follows:

Agriculture

Appropriations

Divisions: Agriculture, Transportation and Semi-State  
Education  
Health and Human Services  
State Departments

Commerce

Economic Development

Divisions: International Trade and Technology  
Rural Resource Development  
Community Stabilization and Development

Education

Divisions: Education Finance  
Higher Education

Environment and Natural Resources

Ethics

Financial Institutions and Housing

Division: Housing

General Legislation, Veterans Affairs and Gaming

Divisions: Elections  
Gaming

Governmental Operations

Health and Human Services

Insurance

Judiciary

Division: Criminal Justice

Labor-Management Relations

Local Government and Metropolitan Affairs

Regulated Industries

Rules and Legislative Administration

Taxes

Transportation

Ways and Means

6.2 COMMITTEE MEMBERSHIP. No less than 30 days prior to the opening of a regular session of the Legislature, the Speaker-designate shall provide the minority group with a list of the standing committees proposed for the session. The Speaker-designate shall also designate the number of minority members to be

appointed to each committee and may require general membership guidelines to be followed in the selection of committee members.

If the minority leader submits to the Speaker-designate, at least 15 days prior to the opening of the session, a list of proposed committee assignments for the minority group, which complies with the numbers and guidelines provided, the Speaker shall make such proposed assignments with the purpose of attaining proportionate representation on the committees for the minority group.

No committee of the House shall have exclusive membership from any one profession, occupation or vocation.

**6.3 COMMITTEE MEETING SCHEDULE.** The Speaker shall prepare a schedule of committee meetings, fixing as far as practicable the day of the week and the hour for the regular meeting time of each committee. The schedule of committee meetings shall officially be made available to the news media. The chair of any committee holding a special meeting or making a change in the regular schedule of meetings shall give written notice which may be announced from the desk and shall be posted on the bulletin board at least one day in advance of the change.

The chair of each committee or subcommittee shall as far as practicable give three days notice of any meeting. The notice shall include the date, time, place and agenda for the meeting.

**6.4 COMMITTEE PROCEDURES.** Meetings of all committees of the House shall be open to the public except for any executive sessions which the committee on ethics deems necessary.

A majority of members of any committee shall constitute a quorum.

The Rules of the House shall be observed in all committees wherever they are applicable.

Any member of any committee may demand a roll call on any bill, resolution, report, motion or amendment before the committee. Only upon such demand being made shall the roll be called and the vote of each member on the bill, resolution, report, motion or amendment be recorded in the committee minutes, together with the name of the member demanding the roll call.

A committee may reconsider any action so long as the matter remains in the possession of the committee. A committee member need not have voted with the prevailing side in order to move reconsideration.

**6.5 SUBCOMMITTEES.** The chair of a committee shall appoint

the chair and members of each subcommittee. The chair or the committee may refer bills to subcommittee. Any subcommittee may make such investigation or exercise such authority as is delegated to it by the chair or the committee.

**6.6 COMMITTEE RECORDS.** The chair or acting chair of each standing committee shall cause a record to be kept, in the form prescribed by the Committee on Rules and Legislative Administration, which shall include the record of each bill referred to the committee and the minutes of the committee. The minutes shall include:

- a. The time and place of each hearing or meeting of the committee;
- b. Committee members present;
- c. The name and address of each person appearing before the committee, together with the name and address of the person, association, firm or corporation in whose behalf the appearance is made;
- d. The language of each motion, the name of the committee member making the motion, and the result of any vote taken upon the motion, including the yeas and nays whenever a roll call is demanded;
- e. The date on which any subcommittee is created, the names of its members and the bills referred to it;
- f. The record of each subcommittee meeting, including the time and place of the meeting; members present; the name of each person appearing before the subcommittee, together with the name of the person, association, firm or corporation in whose behalf the appearance is made; and the language of each motion, together with the name of the member making the motion, and the result of any vote taken upon the motion, including the yeas and nays whenever a roll call is demanded;
- g. Other important matters related to the work of the committee.

The minutes shall be approved at the next regular meeting of the committee.

Copies of the minutes, after approval by the committee, shall be filed with the Chief Clerk and shall be open to public inspection in the Chief Clerk's office. At the end of the biennium they shall be delivered, together with the other committee records, to the Director of the Legislative Reference Library, where they shall remain open for public inspection during regular office hours. A copy of any page of any committee minutes may be obtained upon payment of a fee

determined by the Chief Clerk to be adequate to cover the cost of preparing the copy.

The magnetic tape recording of any committee meetings shall be retained by the chair until the minutes of that meeting have been approved by the committee. The recording or a copy of the recording shall then be filed with the Director of the Legislative Reference Library, where it shall be maintained for a period of two years from the date of filing for use by any person in accordance with the rules of the Legislative Reference Library. After expiration of the two-year period the recording may be erased and the tape may be reused.

Any person may obtain a copy of such tape during the period in which it is maintained in the Legislative Reference Library upon payment of a fee determined by the Chief Clerk to be sufficient to cover the cost of the copy. Testimony and discussion preserved under this rule is not intended to be admissible in any court or administrative proceeding on an issue of legislative intent.

**6.7 COMMITTEE REPORTS.** The chair of a standing committee reporting to the House the action taken by the committee upon any bill or resolution referred to it shall do so upon the form provided for such reports. Each bill or resolution shall be reported separately and the report shall be adopted or rejected without amendment.

The report shall contain the action taken by the committee and the date of such action and shall be authenticated by the signature of the chair.

Before a committee reports favorably upon a bill or resolution, the chair shall see that the form of the bill or resolution conforms to the Joint Rules of the House and Senate and these Rules:

Except during the last seven legislative days in any year, the committee report and any minority report shall be placed in the hands of the Chief Clerk at least four hours prior to the convening of the daily session.

The Committee on Rules and Legislative Administration may report at any time.

If a majority of the members of a standing committee finds a bill referred to the committee to be of a non-controversial nature, the report to the House may recommend that the bill be placed upon a separate calendar to be known as the Consent Calendar.

**6.8 COMMITTEE BILLS.** Any standing or special committee of the House may introduce a bill as a committee bill on any subject within its purview.

**6.9 SUBSTITUTION OF BILLS.** No standing or special committee nor any of its members shall report a substitute for any bill referred to the committee if the substitute relates to a different subject, is intended to accomplish a different purpose, or would require a title essentially different from that of the original bill. Whenever the House is advised that a substitute bill reported to the House is in violation of this rule, the report shall not be adopted.

**6.10 COMMITTEE ON ETHICS.** The Speaker shall appoint a Committee on Ethics. An equal number of members from the majority group and the minority group and one alternate from each group shall be appointed. The committee shall adopt written procedures, which shall include due process requirements, for handling complaints and issuing guidelines.

Complaints regarding a member's conduct must be submitted in writing to the Speaker by two or more members of the House and shall be referred to the committee within 15 days for processing by the committee according to its rules of procedure. Prior to referring the matter to the committee, the Speaker shall inform the member against whom a question of conduct has been raised of the complaint and the complainant's identity. The Speaker, the members making the complaint, the members of the Committee on Ethics, and employees of the House shall hold the complaint in confidence until the committee or the member subject of the complaint cause a public hearing to be scheduled. A complaint of a breach of the confidentiality requirement by a member or employee of the House shall be immediately referred by the Speaker to the Ethics Committee for disciplinary action. The committee shall act in an investigatory capacity and may make recommendations regarding questions of ethical conduct received prior to adjournment sine die.

Ethics committee recommendations for disciplinary action shall be referred to the Committee on Rules and Legislative Administration, which committee may adopt, amend, or reject the recommendations of the Ethics committee. Recommendations adopted by the Committee on Rules and Legislative Administration to expel, censure, or reprimand shall be reported to the House for final disposition.

**6.11 CONFERENCE COMMITTEES.** A conference committee may report at any time. No committee except a conference committee or the Committee on Rules and Legislative Administration shall sit during any daily session of the House without leave.

A conference committee report shall include only subject matter contained in the House or Senate versions of the bill for which that conference committee was appointed, or like subject matter contained in a bill passed by the House. The member presenting the conference committee report to the House shall disclose all substantive changes from the House version of the bill.

In an odd-numbered year except after . . . . ., a written copy of a report of a conference committee shall be placed on the desk of each member of the House 24 hours before action on the report by the House. If the report has been reprinted in the Journal of the House for a preceding day and is available to the members, the Journal copy shall serve as the written report.

6.12 COMMITTEE BUDGETS AND EXPENSES. The Committee on Rules and Legislative Administration shall establish a budget for each standing committee of the House for expenses incurred by the committee, its members, or its staff in conducting its legislative business. Per diem expense allowances paid to members during sessions or at times set by the Speaker shall not be charged against the budget. No committee shall incur expenses in excess of its authorized budget.

Employees shall be reimbursed for actual expenses in the same manner as state employees.

During sessions, for travel away from the Capitol, members shall be reimbursed for actual expenses in the same manner as state employees in addition to per diem expense allowances.

All charges against the committee budget must be approved by the chair before payment is made.

6.13 PUBLIC TESTIMONY. Public testimony from proponents and opponents shall be allowed on every bill or resolution before either a standing committee, division or subcommittee of the House.

#### ARTICLE VII - OFFICERS OF THE HOUSE

7.1 DUTIES AND PRIVILEGES OF THE SPEAKER. The Speaker shall preside over the House and shall have all the powers and be charged with all the duties of the presiding officer.

The Speaker shall preserve order and decorum. The Speaker or the chair of the Committee of the Whole may order the lobby or galleries cleared in the case of disorderly conduct or other disturbance.

Except as provided by rule or law, the Speaker shall have general control of the Chamber of the House and of the corridors, passages and rooms assigned to the use of the House.

The Speaker shall sign all acts, addresses, joint resolutions, writs, warrants and subpoenas of the House or issued by order of the House. The Speaker shall sign all abstracts for the payment of money out of the legislative expense fund of the House; but no

money shall be paid out of said fund unless the abstract is also signed by the Chief Clerk of the House.

The Speaker shall appoint the Chief Sergeant at Arms or shall designate that officer from among the Sergeants at Arms elected by the House or appointed by the Committee on Rules and Legislative Administration.

**7.2 SPEAKER PRO TEMPORE.** The Speaker shall appoint a member to preside, whenever the Speaker is absent, as Speaker pro tempore. In the absence of the Speaker and Speaker pro tempore, the Committee on Rules and Legislative Administration shall select a member to preside until the return of the Speaker or Speaker pro tempore.

**7.3 DUTIES OF CHIEF CLERK.** The Chief Clerk shall have general supervision of all clerical duties pertaining to the business of the House. The Chief Clerk shall perform under the direction of the Speaker all the duties pertaining to the office of Chief Clerk and shall keep records showing the status and progress of all bills, memorials and resolutions.

Neither the Chief Clerk nor any of the Chief Clerk's assistants or employees shall permit any records or papers belonging to the House to be removed from their custody other than in the regular course of business. The Chief Clerk shall report any missing records or papers to the Speaker.

During a temporary absence of the Chief Clerk, the First Assistant Chief Clerk shall be delegated all the usual responsibilities of the Chief Clerk and is authorized to sign the daily journal, enrollments, abstracts and other legislative documents.

**7.4 ENGROSSMENT AND ENROLLMENT.** The Chief Clerk of the House shall have supervision over the engrossment and enrollment of bills. The Chief Clerk shall cause to be kept a record by file number of the bills introduced in the House which have passed both houses and been enrolled.

**7.5 BUDGET AND PURCHASING.** The Director of House administrative services shall prepare a biennial budget for the House which must be approved by the Committee on Rules and Legislative Administration before it is submitted to the Committee on Appropriations.

The Director shall be the agent of the House of Representatives for the purchase of supplies. The Director shall seek the lowest possible prices and shall file timely reports of expenditures made with the Committee on Rules and Legislative Administration.

**7.6 BULLETIN BOARD.** The Chief Clerk shall prepare a bulletin

board upon which shall be posted a list of committee and subcommittee meetings and any other announcements or notices the House may require.

**7.7 INDEX.** The Index Clerk, under the supervision of the Chief Clerk, shall prepare an index in which bills may be indexed by topic, number, author, subject, section of the code amended, committees, and any other subject that will make it a complete and comprehensive index. The index shall be open for public inspection at all times during the session and shall be printed in the permanent Journal of the House.

**7.8 DUTIES OF THE SERGEANT AT ARMS.** It shall be the duty of the Sergeant at Arms to carry out all orders of the House or the Speaker and to perform all other services pertaining to the office of Sergeant at Arms, including maintaining order in the Chamber and supervising entering and exiting from the Chamber and the prompt delivery of messages.

#### ARTICLE VIII - EMPLOYEES OF THE HOUSE

**8.1 APPOINTMENT OF EMPLOYEES.** The Committee on Rules and Legislative Administration shall designate the position of and appoint each employee of the House and set the compensation of each officer and employee. A record of all such appointments, including positions and compensation, shall be kept in the office of the Chief Clerk and shall be open for inspection by the public.

The Committee on Rules and Legislative Administration, by resolution, shall establish the procedure for filling vacancies when the Legislature is not in session.

Any employee of the House may be assigned to other duties, suspended or discharged at any time by the Committee on Rules and Legislative Administration.

No employee of the House shall receive any pay, compensation, gratuity or reward over and above the salary named for the position except upon approval of a three-fourths vote of the whole House.

**8.2 DUTIES OF EMPLOYEES.** No employee shall make or permit to be made any copy or copies of any journal, bill, paper, file, record, or document in that employee's possession or custody or to which the employee has access except on request of a member of the House. No person other than a member of the House shall furnish or deliver any journal, bill, paper, file, record, document, or copy thereof to any person other than a member of the House except by or through the Chief Clerk with the approval or under the direction of the Committee on Rules and Legislative Administration, in accordance with these Rules, and upon such terms as such committee shall prescribe.

Any violation of this rule shall be cause for removal or discharge of the offender.

ARTICLE IX - GENERAL PROVISIONS

9.1 RULE AS TO CONSTRUCTION. As used in these Rules the terms "majority vote" and "vote of the House" shall mean a majority of members present at the particular time. The term "vote of the whole House" shall mean a majority vote of all the members elected to the House for that particular session of the Legislature.

Singular words used in these Rules shall include the plural, unless the context indicates a contrary intention.

9.2 MEDIA NEWS REPORTERS. Accredited representatives of the press, press associations, and radio and television stations shall be accorded equal press privileges by the House. Any person wishing to report proceedings of the House may apply to the Committee on Rules and Legislative Administration for a press pass and assignment to suitable available space.

Television stations shall be permitted to televise sessions of the House.

9.3 DEADLINES. In odd-numbered years, committee reports on bills favorably acted upon by a committee in the house of origin after . . . . ., and committee reports on bills originating in the other house favorably acted upon by a committee after . . . . ., shall be referred in the House of Representatives to the Committee on Rules and Legislative Administration for disposition. However, referral is not required after the first deadline when, by the second deadline, a committee acts on a bill that is a companion to a bill that has then been acted upon by the first deadline in the Senate. This rule does not apply in the House Committees on Appropriations and on Taxes and to the education finance bill in the Committee on Education.

9.4 DISPOSITION OF BILLS. Adjournment of the regular session in any odd-numbered year to a day certain in the following year shall be equivalent to daily adjournment except that any bill on the Consent Calendar, Calendar, Special Orders or General Orders shall be returned to the standing committee last acting on the bill.

9.5 AUTHORIZED MANUAL OF PARLIAMENTARY PROCEDURE. The rules of parliamentary procedure contained in "Mason's Manual of Legislative Procedure" shall govern the House in all applicable cases in which they are not inconsistent with these Rules, the Joint Rules of the Senate and House of Representatives, or established custom and usage.

## CALL OF THE HOUSE LIFTED

Wynia moved that the call of the House be dispensed with. The motion prevailed and it was so ordered.

## MOTIONS AND RESOLUTIONS

Wenzel moved that the name of Sparby be stricken and the name of Hasskamp be added as an author on H. F. No. 38. The motion prevailed.

Kelly moved that the name of Jaros be stricken and the name of Bishop be added as an author on H. F. No. 57. The motion prevailed.

Beard moved that the name of Macklin be added as an author on H. F. No. 122. The motion prevailed.

Quinn moved that the names of Olsen, S., and Bennett be added as authors on H. F. No. 171. The motion prevailed.

Heap moved that the name of Valento be added as an author on H. F. No. 246. The motion prevailed.

Dempsey moved that the name of Schafer be added as an author on H. F. No. 290. The motion prevailed.

Clark moved that the name of Pappas be added as an author on H. F. No. 300. The motion prevailed.

Wenzel moved that the names of O'Connor, Tjornhom and Conway be added as authors on H. F. No. 301. The motion prevailed.

Clark moved that the name of Pappas be added as an author on H. F. No. 302. The motion prevailed.

## ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 2:30 p.m., Monday, February 6, 1989. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Monday, February 6, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION — 1989

## TENTH DAY

SAINT PAUL, MINNESOTA, MONDAY, FEBRUARY 6, 1989

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

Prayer was offered by the Reverend Margaret Thomas of the Minnesota Council of Churches, Minneapolis, Minnesota.

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

The roll was called and the following members were present:

Abrams	Frerichs	Kostohryz	Omann	Schreiber
Anderson, G.	Girard	Krueger	Onnen	Seaberg
Anderson, R.	Greenfield	Lasley	Orenstein	Segal
Battaglia	Gruenes	Lieder	Osthoff	Simoneau
Bauerly	Gutknecht	Limmer	Ostrom	Skoglund
Beard	Hartle	Long	Otis	Solberg
Begich	Hasskamp	Lynch	Opzment	Sparby
Bennett	Haukoos	Macklin	Pappas	Stanius
Bertram	Heap	Marsh	Pauly	Steensma
Bishop	Henry	McDonald	Pellow	Sviggum
Blatz	Himle	McEachern	Pelowski	Swenson
Boo	Hugoson	McGuire	Peterson	Tjornhom
Brown	Jacobs	McLaughlin	Poppenhagen	Tompkins
Burger	Janezich	McPherson	Price	Trimble
Carlson, D.	Jaros	Milbert	Pugh	Tunheim
Carlson, L.	Jefferson	Miller	Quinn	Uphus
Carruthers	Jennings	Morrison	Redalen	Valento
Clark	Johnson, A.	Munger	Reding	Vellenga
Conway	Johnson, R.	Nelson, C.	Rest	Wagenius
Cooper	Johnson, V.	Nelson, K.	Rice	Waltman
Dauner	Kahn	Neuenschwander	Richter	Weaver
Dawkins	Kalis	O'Connor	Rodosovich	Welle
Dempsey	Kelly	Ogren	Rukavina	Wenzel
Dille	Kelso	Olsen, S.	Sarna	Williams
Dorn	Kinkel	Olson, E.	Schafer	Winter
Frederick	Knickerbocker	Olson, K.	Scheid	Wynia
				Spk. Vanasek

A quorum was present.

Forsythe and Murphy were excused.

The Chief Clerk proceeded to read the Journal of the preceding

day. Rodosovich 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

Pursuant to Rules of the House, printed copies of H. F. Nos. 122 and 29 have been placed in the members' files.

#### REPORTS OF STANDING COMMITTEES

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

H. F. No. 42, A bill for an act relating to economic development; permitting state agencies and local jurisdictions to invest in a working capital fund; amending Minnesota Statutes 1988, section 137.31, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 16B, 161, 471, and 473.

Reported the same back with the following amendments:

Page 1, lines 10 and 11, delete "to the extent allowed by other law or by contract" and insert "subject to other applicable law"

Page 1, line 14, delete everything after "to" and insert "minority business enterprises, as defined in Code of Federal Regulations, title 49, section 23.5"

Page 1, delete line 15

Page 1, line 16, delete everything before the period

Page 1, lines 24 and 25, delete "to the extent allowed by other law or by contract" and insert "subject to other applicable law"

Page 2, line 2, delete everything after "to" and insert "minority business enterprises, as defined in Code of Federal Regulations, title 49, section 23.5"

Page 2, delete line 3

Page 2, line 4, delete everything before the period

Page 2, lines 10 and 11, delete "to the extent allowed by other law or by contract" and insert "subject to other applicable law"

Page 2, line 14, delete everything after "to" and insert "minority business enterprises, as defined in Code of Federal Regulations, title 49, section 23.5"

Page 2, delete line 15

Page 2, line 16, delete everything before the period

Page 2, lines 23 and 24, delete "to the extent allowed by other law or by contract" and insert "subject to other applicable law"

Page 2, line 27, delete everything after "to" and insert "minority business enterprises, as defined in Code of Federal Regulations, title 49, section 23.5"

Page 2, delete line 28

Page 2, line 29, delete everything before the period

Page 2, line 36, delete "to the extent allowed"

Page 3, line 1, delete "by other law or by contract" and insert "subject to other applicable law"

Page 3, line 4, delete everything after "to" and insert "minority business enterprises, as defined in Code of Federal Regulations, title 49, section 23.5"

Page 3, delete line 5

Page 3, line 6, delete everything before the period

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Local Government and Metropolitan Affairs.

The report was adopted.

Long from the Committee on Taxes to which was referred:

H. F. No. 68, A bill for an act relating to taxation; making technical corrections and tax capacity rate changes to the property taxation of unmined iron ore; making technical corrections and clarifications to the corporate franchise tax; retroactively providing a corporate franchise tax modification for mining income or gains; clarifying the computation of mining occupation taxes; exempting S corporations from business activity report filing requirements; repealing an obsolete reference; amending Minnesota Statutes 1988, sections 273.1104, subdivision 2; 273.13, subdivision 31; 290.01,

subdivisions 4a and 19d; 290.015, subdivisions 1, 2, 3, and 4; 290.092, subdivision 4a; 290.191, subdivisions 6 and 11; 290.371; 298.01, subdivisions 3 and 4, and by adding subdivisions; and Laws 1988, chapter 719, article 2, section 57; repealing Minnesota Statutes 1988, sections 52.22 and 273.1104, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

#### "ARTICLE 1

Section 1. Minnesota Statutes 1988, section 273.1104, subdivision 2, is amended to read:

Subd. 2. On or before ~~October 1~~ September 15 in each year, the commissioner shall send to each person subject to the tax on unmined iron ores and to each taxing district affected, a notice of the gross tax capacity market value of the unmined ores as determined by the commissioner prior to adjustment under section 273.1104, subdivision 1. Said notice shall be sent by mail directed to such person at the address given in the report filed and the assessor of such taxing district, but the validity of the tax shall not be affected by the failure of the commissioner of revenue to mail such notice or the failure of the person subject to the tax to receive it.

On the first secular day following the ~~tenth~~ first day of October, the commissioner of revenue shall hold a hearing which may be adjourned from day to day. All relevant and material evidence having probative value with respect to the issues shall be submitted at the hearing and such hearing shall not be a "contested case" within the meaning of section 14.02, subdivision 3. Every person subject to such tax may at such hearing present evidence and argument on any matter bearing upon the validity or correctness of the tax determined to be due, and the commissioner of revenue shall review the determination of such tax.

Sec. 2. Minnesota Statutes 1988, section 290.01, subdivision 19d, is amended to read:

Subd. 19d. [CORPORATIONS; MODIFICATIONS DECREASING FEDERAL TAXABLE INCOME.] For corporations, there shall be subtracted from federal taxable income after the increases provided in subdivision 19c:

(1) the amount of foreign dividend gross-up added to gross income for federal income tax purposes under section 78 of the Internal Revenue Code;

(2) the decrease in salary expense for federal income tax purposes due to claiming the federal jobs credit under section 51 of the Internal Revenue Code;

(3) any dividend (not including any distribution in liquidation) paid within the taxable year by a national or state bank to the United States, or to any instrumentality of the United States exempt from federal income taxes, on the preferred stock of the bank owned by the United States or the instrumentality;

(4) amounts disallowed for intangible drilling costs due to differences between this chapter and the Internal Revenue Code in taxable years beginning before January 1, 1987, as follows:

(i) to the extent the disallowed costs are represented by physical property, an amount equal to the allowance for depreciation under Minnesota Statutes 1986, section 290.09, subdivision 7, subject to the modifications contained in subdivision 19e; and

(ii) to the extent the disallowed costs are not represented by physical property, an amount equal to the allowance for cost depletion under Minnesota Statutes 1986, section 290.09, subdivision 8;

(5) the deduction for capital losses pursuant to sections 1211 and 1212 of the Internal Revenue Code of 1986, as amended through December 31, 1987, except that:

(i) for capital losses incurred in taxable years beginning after December 31, 1986, capital loss carrybacks shall not be allowed;

(ii) for capital losses incurred in taxable years beginning after December 31, 1986, a capital loss carryover to each of the 15 taxable years succeeding the loss year shall be allowed;

(iii) for capital losses incurred in taxable years beginning before January 1, 1987, a capital loss carryback to each of the three taxable years preceding the loss year, subject to the provisions of Minnesota Statutes 1986, section 290.16, shall be allowed; and

(iv) for capital losses incurred in taxable years beginning before January 1, 1987, a capital loss carryover to each of the five taxable years succeeding the loss year to the extent such loss was not used in a prior taxable year and subject to the provisions of Minnesota Statutes 1986, section 290.16, shall be allowed;

(6) an amount for interest and expenses relating to income not taxable for federal income tax purposes, if (i) the income is taxable under this chapter and (ii) the interest and expenses were disallowed as deductions under the provisions of section 171(a)(2), 265 or 291 of

the Internal Revenue Code of 1986, as amended through December 31, 1987, in computing federal taxable income;

(7) in the case of mines, oil and gas wells, other natural deposits, and timber for which percentage depletion was disallowed pursuant to subdivision 19c, clause (11), a reasonable allowance for depletion based on actual cost. In the case of leases the deduction must be apportioned between the lessor and lessee in accordance with rules prescribed by the commissioner. In the case of property held in trust, the allowable deduction must be apportioned between the income beneficiaries and the trustee in accordance with the pertinent provisions of the trust, or if there is no provision in the instrument, on the basis of the trust's income allocable to each;

(8) for certified pollution control facilities placed in service in a taxable year beginning before December 31, 1986, and for which amortization deductions were elected under section 169 of the Internal Revenue Code of 1954, as amended through December 31, 1985, an amount equal to the allowance for depreciation under Minnesota Statutes 1986, section 290.09, subdivision 7;

(9) the amount included in federal taxable income attributable to the credits provided in Minnesota Statutes 1986, section 273.1314, subdivision 9, or Minnesota Statutes, section 469.171, subdivision 6;

(10) amounts included in federal taxable income that are due to refunds of income, excise, or franchise taxes based on net income or related minimum taxes paid by the corporation to Minnesota, another state, a political subdivision of another state, the District of Columbia, or a foreign country or possession of the United States to the extent that the taxes were added to federal taxable income under section 290.01, subdivision 19c, clause (1), in a prior taxable year; and

(11) the following percentage of royalties, fees, or other like income accrued or received from a foreign operating corporation or a foreign corporation which is part of the same unitary business as the receiving corporation:

Taxable Year	
Beginning After .....	Percentage
December 31, 1988 .....	50 percent
December 31, 1990 .....	80 percent; and

(12) income or gains from the business of mining as defined in section 290.05, subdivision 1, clause (a), that are not subject to Minnesota franchise tax.

Sec. 3. Minnesota Statutes 1988, section 298.01, subdivision 3, is amended to read:

Subd. 3. [OCCUPATION TAX; OTHER ORES.] Every person engaged in the business of mining or producing ores in this state, except iron ore or taconite concentrates, shall pay an occupation tax to the state of Minnesota as provided in this subdivision. The tax is measured by the person's taxable income for the year for which the tax is imposed, and computed in the manner and at the rates provided in chapter 290 determined in the same manner as the tax imposed by section 290.02, except that sections 290.01, subdivisions 19c, clause (11), 19d, clause (7), and 290.05, subdivision 1, clause (a), and 290.17, subdivision 4, do not apply. Corporations and individuals shall be subject to the alternative minimum taxes imposed under chapter 290. The tax is in addition to all other taxes and is due and payable on or before June 15 of the year succeeding the calendar year covered by the report required by section 298.05.

Sec. 4. Minnesota Statutes 1988, section 298.01, is amended by adding a subdivision to read:

Subd. 3a. [GROSS INCOME.] (a) For purposes of determining a person's taxable income under subdivision 4, gross income is determined by the amount of gross proceeds from mining in this state under section 298.016 and includes any gain or loss recognized from the sale or disposition of assets used in the business in this state.

(b) In applying section 290.191, subdivision 5, transfers of ores are deemed to be sales outside this state if the ores are transported out of this state after the ores have been converted to a marketable quality.

Sec. 5. Minnesota Statutes 1988, section 298.01, is amended by adding a subdivision to read:

Subd. 3b. [DEDUCTIONS.] (a) For purposes of determining taxable income under subdivision 3, the deductions from gross income include only those expenses necessary to convert raw ores to marketable quality. Such expenses include costs associated with refinement but do not include expenses such as transportation, stockpiling, marketing, or marine insurance that are incurred after marketable ores are produced, unless the expenses are included in gross income.

(b) The provisions of section 290.01, subdivisions 19c, clauses (7) and (11), and 19d, clauses (7) and (12), are not used to determine taxable income.

Sec. 6. Minnesota Statutes 1988, section 298.01, subdivision 4, is amended to read:

Subd. 4. [OCCUPATION TAX; IRON ORE; TACONITE CONCENTRATES.] A person engaged in the business of mining or producing of iron ore or taconite concentrates in this state shall pay an occupation tax to the state of Minnesota. The tax is measured by the person's taxable income for the year for which the tax is imposed, and computed in the manner and at the rates provided for in chapter 290, determined in the same manner as the tax imposed by section 290.02, except that sections 290.01, subdivisions 19e, clause (11), 19d, clause (7), and 290.05, subdivision 1, clause (a), and 290.17, subdivision 4, do not apply. Corporations and individuals shall be subject to the alternative minimum taxes imposed under chapter 290. The tax is in addition to all other taxes and is due and payable on or before June 15 of the year succeeding the calendar year covered by the report required by section 298.05.

Sec. 7. Minnesota Statutes 1988, section 298.01, is amended by adding a subdivision to read:

Subd. 4a. [GROSS INCOME.] (a) For purposes of determining a person's taxable income under subdivision 4, gross income is determined by the mine value of the ore mined in Minnesota and includes any gain or loss recognized from the sale or disposition of assets used in the business in this state.

(b) Mine value is the value, or selling price, of iron ore or taconite concentrates, f.o.b. mine. The mine value is calculated by multiplying the iron unit price for the period, as determined by the commissioner, by the tons produced and the weighted average analysis.

(c) In applying section 290.191, subdivision 5, transfers of iron ore and taconite concentrates are deemed to be sales outside this state if the iron ore or taconite concentrates are transported out of this state after the raw iron ore and taconite concentrates have been converted to a marketable quality.

Sec. 8. Minnesota Statutes 1988, section 298.01, is amended by adding a subdivision to read:

Subd. 4b. [DEDUCTIONS.] For purposes of determining taxable income under subdivision 4, the deductions from gross income include only those expenses necessary to convert raw iron ore or taconite concentrates to marketable quality. Such expenses include costs associated with beneficiation and refinement but do not include expenses such as transportation, stockpiling, marketing, or marine insurance that are incurred after marketable iron ore or taconite pellets are produced.

Sec. 9. Minnesota Statutes 1988, section 298.01, is amended by adding a subdivision to read:

Subd. 4c. [SPECIAL DEDUCTIONS.] (a) For purposes of determining taxable income under subdivision 4, the following modifications are allowed:

(1) the provisions of section 290.01, subdivisions 19c, clauses (7) and (11), and 19d, clauses (7) and (12), are not used to determine taxable income; and

(2) for assets placed in service before January 1, 1990, the deduction for depreciation will be the same amount allowed under chapter 290, except that after an asset has been fully depreciated for federal income tax purposes any remaining depreciable basis is allowed as a deduction using the straight-line method over the following number of years:

- (i) three-year property, one year;
- (ii) five- and seven-year property, two years;
- (iii) ten-year property, five years; and
- (iv) all other property, seven years.

No deduction is allowed if an asset is fully depreciated for occupation tax purposes before January 1990.

(b) For purposes of determining the deduction allowed under paragraph (a), clause (2), the remaining depreciable basis of property placed in service before January 1, 1990, is calculated as follows:

(1) the adjusted basis of the property on December 31, 1989, which was used to calculate the hypothetical corporate franchise tax under Minnesota Statutes 1988, section 298.40, including salvage value; less

(2) deductions for depreciation allowed under section 290.01, subdivision 19e.

(c) The basis for determining gain or loss on sale or disposition of assets placed in service before January 1, 1990, is the basis determined under paragraph (b), less the deductions allowed under paragraph (a), clause (2).

(d) The amount of net operating loss incurred in a taxable year beginning before January 1, 1990, that may be carried over to a taxable year beginning after December 31, 1989, is the amount of net operating loss carryover determined in the calculation of the hypothetical corporate franchise tax under Minnesota Statutes 1988, sections 298.40 and 298.402.

## Sec. 10. [EFFECTIVE DATES.]

Section 1 is effective for taxes levied in 1989, payable in 1990, and thereafter. Section 2 is effective for taxable years beginning after December 31, 1986. Sections 3 to 5 are effective for ores mined after December 31, 1986. Sections 6 to 9 are effective for ores mined after December 31, 1989.

## ARTICLE 2

Section 1. Minnesota Statutes 1988, section 290.015, subdivision 2, is amended to read:

Subd. 2. [PRESUMPTION.] (a) A person is presumed, subject to rebuttal, to be obtaining or regularly soliciting business from within this state if:

(1) ~~it is a financial institution and~~ it conducts activities described in subdivision 1, paragraph (b), without regard to transactions described in subdivision 3, with 20 or more persons within this state during any tax period; or

(2) it is a financial institution as defined in section 290.01, subdivision 4a, and the sum of its assets and the absolute value of its deposits attributable to sources within this state equals or exceeds \$5,000,000, with assets and deposits attributed to sources within this state by applying the principles established under section 290.191, except as provided in subdivision 3.

(b) A financial institution that (i) is not engaged in activities within this state under subdivision 1, paragraph (a), and (ii) does not satisfy the requirements of paragraph (a) is not subject to taxes imposed by this chapter.

Sec. 2. Minnesota Statutes 1988, section 290.015, subdivision 3, is amended to read:

Subd. 3. [EXCEPTIONS.] (a) A person is not subject to tax under this chapter if the person is engaged in the business of selling tangible personal property and taxation of that person under this chapter is precluded by Public Law Number 86-272, United States Code, title 15, sections 381 to 384 or would be so precluded except for the fact that the person stored tangible personal property in a state licensed facility under chapter 231.

(b) Ownership of an interest in the following types of property (including those contacts with this state reasonably required to evaluate and complete the acquisition or disposition of the property, the servicing of the property or the income from it, the collection of

income from the property, or the acquisition or liquidation of collateral relating to the property) shall not be a factor in determining whether the owner is subject to tax under this chapter:

(1) an interest in a real estate mortgage investment conduit, a real estate investment trust, or a regulated investment company or a fund of a regulated investment company, as those terms are defined in the Internal Revenue Code of 1986, as amended through December 31, 1987;

(2) an interest in money market instruments or securities as defined in section 290.191, subdivision 6, paragraphs (c) and (d);

(3) an interest in a loan-backed, mortgage-backed, or receivable-backed security representing either: (i) ownership in a pool of promissory notes, mortgages, or receivables or certificates of interest or participation in such notes, mortgages, or receivables, or (ii) debt obligations or equity interests which provide for payments in relation to payments or reasonable projections of payments on the notes, mortgages, or receivables, and which are issued by a financial institution or by an entity substantially all of whose assets consist of promissory notes, mortgages, receivables, or interests in them;

(3) (4) an interest in any assets described in section 290.191, subdivision 11, paragraphs (e) to (l), and in which the payment obligations embodied in such assets were solicited and entered into by persons independent and not acting on behalf of the owner;

(4) (5) an interest in the right to service, or collect income from any assets described in section 290.191, subdivision 11, paragraphs (e) to (l), and in which the payment obligations embodied in such assets were solicited and entered into by persons independent and not acting on behalf of the owner;

(5) (6) an interest of a person other than an individual, estate, or trust, in any intangible, tangible, real, or personal property acquired in satisfaction, whether in whole or in part, of any asset embodying a payment obligation which is in default, whether secured or unsecured, the ownership of an interest in which would be exempt under the preceding provisions of this subdivision, provided the property is disposed of within a reasonable period of time; or

(6) (7) amounts held in escrow or trust accounts, pursuant to and in accordance with the terms of property described in this subdivision.

If the person is a member of the unitary group, paragraph (b) does, clauses (2) to (7) do not apply to an interest acquired from another member of the unitary group.

Sec. 3. Minnesota Statutes 1988, section 290.015, subdivision 4, is amended to read:

Subd. 4. [LIMITATIONS.] (a) This section does not subject a trade or business to any regulation, including any tax, of any local unit of government or subdivision of this state if the trade or business does not own or lease tangible or real property located within this state and has no employees or independent contractors present in this state to assist in the carrying on of the business.

(b) The purchase of tangible personal property or intangible property or services by a person that conducts a trade or business with the principal place of business outside of Minnesota (the "non-Minnesota person") from a person within Minnesota shall not be taken into account in determining whether the non-Minnesota person is subject to the taxes imposed by this chapter, except for services involving either the direct solicitation of Minnesota customers or relationships with Minnesota customers after sales are made. This paragraph is subject to the limitations contained in subdivision 3, paragraph (b), clauses (4) and (5).

(c) No contact with any Minnesota financial institution by any financial institution with its principal place of business outside Minnesota with respect to transactions described in subdivision 3, or with respect to deposits received from or by a Minnesota financial institution, shall be taken into account in determining whether such a financial institution is subject to the taxes imposed by this chapter. The fact of participation by a Minnesota financial institution in a transaction which also involves a borrower and a financial institution that conducts a trade or business with its principal place of business outside of Minnesota shall not be a factor in determining whether such financial institution is subject to the taxes imposed by this chapter. This paragraph does not apply to transactions between or among members of the same unitary group.

Sec. 4. Minnesota Statutes 1988, section 290.092, subdivision 2, is amended to read:

Subd. 2. [EXEMPTIONS.] Corporations subject to tax under sections 290.05, subdivision 3; or 60A.15, subdivision 1 and 290.35; real estate investment trusts; regulated investment companies as defined in section 851(a) of the Internal Revenue Code of 1986 or funds of regulated investment companies as defined in section 851(h) of the Internal Revenue Code of 1986, as amended through December 31, 1988; cooperatives taxable under subchapter T of the Internal Revenue Code of 1986 or organized under chapter 308 or a similar law of another state; and entities having a valid election in effect under section 1362 or 860D(b) of the Internal Revenue Code of 1986, as amended through December 31, 1987-1988, are not subject to the tax imposed in subdivision 1 or subdivision 5.

Sec. 5. Minnesota Statutes 1988, section 290.092, subdivision 4a, is amended to read:

Subd. 4a. [NEW BUSINESS EXCLUSION.] For the first five taxable years during which a corporation is subject to taxation under this chapter, the amount of its Minnesota property and payrolls must be excluded from the alternative minimum tax base unless it is disqualified in this subdivision. A corporation is considered subject to taxation under this chapter if it would be subject to Minnesota's jurisdiction to tax as provided in section 290.015, before claiming this exclusion. The following does not qualify for this exclusion:

- (1) a corporation that is a member of a unitary group that includes at least one business that does not qualify for this exclusion;
- (2) any corporation organized under the laws of this state or certified to do business within this state at least five taxable years before the taxable year in which this exclusion is claimed;
- (3) corporations created by: reorganizations, as defined in section 368 of the Internal Revenue Code of 1986, as amended through December 31, 1987; or split-ups, split-offs, or spin-offs, as described in section 355 of the Internal Revenue Code of 1986, as amended through December 31, 1987; or the transfer or acquisition, whether directly or indirectly, of assets which constitute a trade or business, including stock purchases under section 338 of the Internal Revenue Code of 1986, as amended through December 31, 1987, where the surviving, newly formed, or acquiring corporation conducts substantially the same activities as the predecessor corporation, regardless of whether or not the survivor corporation also conducts additional activities, and the predecessor corporation would not otherwise qualify for this exclusion if it had continued to conduct those activities;
- (4) any change in identity or form of business where the original business entity would have been subject to Minnesota's taxing jurisdiction, as provided in section 290.015, at least five taxable years before the taxable year in which this exclusion is claimed;
- (5) a corporation, the primary business activity of which is the providing of professional services as defined in section 319A.02; operation as a financial institution, as defined in section 290.01, subdivision 4a; sales or management of real estate; or operation as an insurance agency, as defined in section ~~60A.03~~ 60A.02; or
- (6) a corporation the affairs of which the commissioner finds were arranged as they were primarily to reduce taxes by qualifying as a new business under this subdivision.

Sec. 6. Minnesota Statutes 1988, section 290.191, subdivision 6, is amended to read:

Subd. 6. [DETERMINATION OF RECEIPTS FACTOR FOR FINANCIAL INSTITUTIONS.] (a) For purposes of this section, the rules in this subdivision and subdivisions 7 and 8 apply in determining the receipts factor for financial institutions.

(b) "Receipts" for this purpose means gross income, including net taxable gain on disposition of assets, including securities and money market instruments, when derived from transactions and activities in the regular course of the taxpayer's trade or business.

(c) "Money market instruments" means federal funds sold and securities purchased under agreements to resell, commercial paper, banker's acceptances, and purchased certificates of deposit and similar instruments to the extent that the instruments are reflected as assets under generally accepted accounting principles.

(d) "Securities" means United States Treasury securities, obligations of United States government agencies and corporations, obligations of state and political subdivisions, corporate stock and other securities, participations in securities backed by mortgages held by United States or state government agencies, loan-backed securities and similar investments to the extent the investments are reflected as assets under generally accepted accounting principles.

(e) Receipts from the lease or rental of real or tangible personal property, including both finance leases and true leases, must be attributed to this state if the property is located in this state. Tangible personal property that is characteristically moving property, such as motor vehicles, rolling stock, aircraft, vessels, mobile equipment, and the like, is considered to be located in a state if:

(1) the operation of the property is entirely within the state; or

(2) the operation of the property is in two or more states, but the principal base of operations from which the property is sent out is in the state.

(f) Interest income and other receipts from assets in the nature of loans that are secured primarily by real estate or tangible personal property must be attributed to this state if the security property is located in this state under the principles stated in paragraph (e).

(g) Interest income and other receipts from consumer loans not secured by real or tangible personal property that are made to residents of this state, whether at a place of business, by traveling loan officer, by mail, by telephone or other electronic means, must be attributed to this state.

(h) Interest income and other receipts from commercial loans and installment obligations not secured that are unsecured by real or tangible personal property or secured by intangible property must be attributed to this state if the proceeds of the loan are to be applied in this state. If it cannot be determined where the funds are to be applied, the income and receipts are attributed to the state in which the office of the borrower from which the application would be made in the regular course of business is located. If this cannot be determined, the transaction is disregarded in the apportionment formula.

(i) Interest income and other receipts from a participating financial institution's portion of participation and syndication loans must be attributed under paragraphs (e) to (h). A participation loan is a loan in which more than one lender is a creditor to a common borrower an arrangement in which a lender makes a loan to a borrower and then sells all or a part of the loan to a purchasing financial institution. A syndication loan is a multibank loan transaction in which all the lenders are named as parties to the loan documentation, are known to the borrower, and have privity of contract with the borrower.

(j) Interest income and other receipts including service charges from financial institution credit card and travel and entertainment credit card receivables and credit card holders' fees must be attributed to the state to which the card charges and fees are regularly billed.

(k) Merchant discount income derived from financial institution credit card holder transactions with a merchant must be attributed to the state in which the merchant is located. In the case of merchants located within and outside the state, only receipts from merchant discounts attributable to sales made from locations within the state are attributed to this state. It is presumed, subject to rebuttal, that the location of a merchant is the address shown on the invoice submitted by the merchant to the taxpayer.

(l) Receipts from the performance of fiduciary and other services must be attributed to the state in which the benefits of the services are consumed. If the benefits are consumed in more than one state, the receipts from those benefits must be apportioned to this state pro rata according to the portion of the benefits consumed in this state. If the extent to which the benefits of services are consumed in this state is not readily determinable, the benefits of the services shall be deemed to be consumed at the location of the office of the customer from which the services were ordered in the regular course of the customer's trade or business. If the ordering office cannot be determined, the benefits of the services shall be deemed to be consumed at the office of the customer to which the services are billed.

(m) Receipts from the issuance of travelers checks and money

orders must be attributed to the state in which the checks and money orders are purchased.

(n) Receipts from investments of a financial institution in securities of this state, its political subdivisions, agencies, and instrumentalities must be attributed to this state.

(o) Receipts from a financial institution's interest in any property described in section 290.015, subdivision 3, paragraph (b), is not included in the numerator or the denominator of the receipts factor provided the financial institution's activities within this state with respect to any interest in the property are limited in the manner provided in section 290.015, subdivision 3, paragraph (b). If a financial institution is subject to tax under this chapter, its interest in property described in section 290.015, subdivision 3, paragraph (b), is included in the receipts factor in the same manner as assets in the nature of securities or money market instruments are included under paragraph (n) and subdivision 7.

Sec. 7. Minnesota Statutes 1988, section 290.191, subdivision 11, is amended to read:

**Subd. 11. [FINANCIAL INSTITUTIONS; PROPERTY FACTOR.]**

(a) For financial institutions, the property factor includes, as well as tangible property, intangible property as set forth in this subdivision.

(b) Intangible personal property must be included at its tax basis for federal income tax purposes.

(c) Goodwill must not be included in the property factor.

(d) Coin and currency located in this state must be attributed to this state.

(e) Lease financing receivables must be attributed to this state if and to the extent that the property is located within this state.

(f) Assets in the nature of loans that are secured by real or tangible personal property must be attributed to this state if and to the extent that the security property is located within this state.

(g) Assets in the nature of consumer loans and installment obligations that are unsecured or secured by intangible property must be attributed to this state if the loan was made to a resident of this state.

(h) Assets in the nature of commercial loan and installment obligations that are unsecured by real or tangible personal property or secured by intangible property must be attributed to this state if

the ~~loan~~ proceeds of the loan are to be applied in this state. If it cannot be determined where the funds are to be applied, the assets must be attributed to the state in which there is located the office of the borrower from which the application would be made in the regular course of business. If this cannot be determined, the transaction is disregarded in the apportionment formula.

(i) A participating financial institution's portion of a participation ~~loan~~ and syndication loans must be attributed under paragraphs (e) to (h).

(j) Financial institution credit card and travel and entertainment credit card receivables must be attributed to the state to which the credit card charges and fees are regularly billed.

(k) Receivables arising from merchant discount income derived from financial institution credit card holder transactions with a merchant are attributed to the state in which the merchant is located. In the case of merchants located within and without the state, only receipts receivables from merchant discounts attributable to sales made from locations within the state are attributed to this state. It is presumed, subject to rebuttal, that the location of a merchant is the address shown on the invoice submitted by the merchant to the taxpayer.

(l) Assets in the nature of securities and money market instruments are apportioned to this state based upon the ratio that total deposits from this state, its residents, its political subdivisions, agencies and instrumentalities bear to the total deposits from all states, their residents, their political subdivisions, agencies and instrumentalities. In the case of an unregulated financial institution, the assets are apportioned to this state based upon the ratio that its gross business income earned from sources within this state bears to gross business income earned from sources within all states. For purposes of this subsection, deposits made by this state, its residents, its political subdivisions, agencies, and instrumentalities are attributed to this state, whether or not the deposits are accepted or maintained by the taxpayer at locations within this state.

(m) A financial institution's interest in any property described in section 290.015, subdivision 3, paragraph (b), is not included in the numerator or the denominator of the property factor provided the financial institution's activities within this state with respect to any interest in such property are limited in the manner provided in section 290.015, subdivision 3, paragraph (b). If a financial institution is subject to tax under this chapter, its interest in property described in section 290.015, subdivision 3, paragraph (b), is included in the property factor in the same manner as assets in the nature of securities or money market instruments are included under paragraph (1).

Sec. 8. Minnesota Statutes 1988, section 290.371, is amended to read:

Subdivision 1. [REPORT REQUIRED.] Every corporation that, during any calendar year or fiscal accounting year beginning after December 31, 1986, obtained any business from within this state as described in section 290.015, subdivision 1, with the exception of:

(1) activity levels lower than those set forth in section 290.015, subdivision 2, paragraph (a), if the corporation is a financial institution; or

(2) activities described in section 290.015, subdivision 3, paragraph (b); or

(3) except corporations specifically exempted under subdivision 3 2, must file a notice of business activities report, as provided in this section. Filing of the report is not a factor in determining whether a corporation is subject to taxation under this chapter.

Subd. 3- 2. [EXEMPTIONS.] A corporation is not required to file a notice of business activities report if:

(1) by the end of an accounting period for which it was otherwise required to file a notice of business activities report under this section, it had received a certificate of authority to do business in this state;

(2) a timely return or report has been filed under section 290.05, subdivision 4; or 290.37;

(3) the corporation is exempt from taxation under this chapter pursuant to section 290.05, subdivision 1; or

(4) the corporation's activities in Minnesota, or the interests in property which it owns, consist solely of activities or property exempted from jurisdiction to tax under section 290.015, subdivision 3, paragraph (b); or

(5) The corporation has a valid election in effect under section 1362 of the Internal Revenue Code of 1986, as amended through December 31, 1988.

Subd. 4. 3. [ANNUAL FILING.] Every corporation not exempt under subdivision 3 must file annually a notice of business activities report, including such forms as the commissioner may require, with respect to each of its calendar or fiscal accounting years beginning after December 31, 1986, on or before the 15th day of the fourth month after the close of the calendar or fiscal accounting year.

Subd. 5-4. [FAILURE TO FILE TIMELY REPORT.] (a) Any corporation required to file a notice of business activities report does not have any cause of action upon which it may bring suit under Minnesota law, except for issues related to its Minnesota tax liability, unless the corporation has filed a notice of business activities report.

(b) The failure of a corporation to file a timely report prevents the use of the courts in this state, except regarding activities and property described in section 290.015, subdivision 3, paragraph (b), for all contracts executed and all causes of action that arose at any time before the end of the last accounting period for which the corporation failed to file a required report.

(c) The court in which the issues arise ~~has the power to~~ must excuse the corporation for its failure to file a report when due, and restore the corporation's cause of action under the laws of this state, if the corporation has paid all taxes, interest, and civil penalties due the state for all periods, or provided for payment of them by adequate security or bond approved by the commissioner.

(d) Notwithstanding the provisions of section 290.61, the commissioner may acknowledge whether or not a particular corporation has filed with the commissioner reports or returns required by this chapter if the acknowledgment:

(1) is to a party in a civil action;

(2) relates to the filing status of another party in the same civil action; and

(3) is in response to a written request accompanied by a copy of the summons and complaint in the civil action.

Sec. 9. Laws 1988, chapter 719, article 2, section 57, is amended to read:

Sec. 57. [EFFECTIVE DATE.]

Sections 1, 4, and 5 are effective January 1, 1988. Sections 7, 8, 9, 11, clause (13), 31, and 40 are effective for taxable years beginning after December 31, 1990, except that sections 7, 8, 9, 11, clause (13), and 40 are effective for taxable years beginning after December 31, 1989, insofar as they apply to 936 corporations and sections 7 and 8 are effective for taxable years beginning after December 31, 1988, insofar as they apply to royalties, fees, or other like income as described in section 12, clause (11). In this section, "936 corporations" are corporations referred to in section 9, clause (2)(ii). Sections 12, clause (11), 14, 26, 33, and 56, paragraph (c), are effective for taxable years beginning after December 31, 1988. Sections 2, 3, 32,

36, 37, and 38 are effective for taxable years beginning after December 31, 1987. Section 30, paragraphs (f), (g), (h), and (j) are effective for taxable years beginning after December 31, 1990, except that insofar as they apply to 936 corporations, they are effective for taxable years beginning after December 31, 1989. Sections 29, in its reference to section 290.17, subdivision 4, paragraph (i), and 30, paragraph (i), are effective for taxable years beginning after December 31, 1987, in its application to dividends, for taxable years beginning after December 31, 1988, in its application to income described in section 290.01, subdivision 19d, clause (11), for taxable years beginning after December 31, 1989, in its application to other income of 936 corporations a deemed dividend from a 936 corporation, and for taxable years beginning after December 31, 1990, in its application to other income of foreign operating corporations deemed dividends. Section 30, paragraph (k) is effective for taxable years beginning after December 31, 1987. As used in this section, a "deemed dividend" has the meaning described in section 30, paragraph (g).

Sections 10, 11, clauses (2) and (3), 12, except for clause (11), 13, 15 to 18, 20, 21, 23, 25, 29 insofar as it refers to companies subject to the occupation tax, 34, 35, 39, 41 to 49, and 56, paragraph (d), are effective for taxable years beginning after December 31, 1986. Section 22 is effective for taxable years beginning after December 31, 1986, except that the part relating to the apportionment of the exemption amount among members of a unitary group is effective for taxable years beginning after December 31, 1987. Section 27 is effective for taxable years beginning after December 31, 1986, except that the part relating to the allowance of a net operating loss incurred in any taxable year to the extent of the apportionment ratio of the loss year is effective for taxable years beginning after December 31, 1987. Section 28 is effective for losses incurred in taxable years beginning after December 31, 1986 1987, and is repealed effective for taxable years beginning after December 31, 1993. Sections 6, 50, and 55 are effective the day following final enactment. Sections 51 and 52 are effective for ores mined after December 31, 1989. Section 53 is effective for ores mined after December 31, 1986, and before January 1, 1990. Section 54 is effective for ore mined after December 31, 1986. Section 56, paragraph (a), is effective for ores mined after December 31, 1989. Section 56, paragraph (b), is effective for ores mined after December 31, 1986, and supersedes the repealer in Laws 1987, chapter 268, article 9, section 43.

Sec. 10. [REPEALER.]

Minnesota Statutes 1988, section 52.22, is repealed.

Sec. 11. [EFFECTIVE DATE.]

Sections 1 to 8 are effective for taxable years beginning after

December 31, 1986, except that the elimination of clause (1) in section 290.371, subdivision 1, is effective for taxable years beginning after December 31, 1988."

Delete the title and insert:

"A bill for an act relating to taxation; making technical corrections to the property taxation of unmined iron ore; making technical corrections and clarifications to the corporate franchise tax; retroactively providing a corporate franchise tax modification for mining income or gains; clarifying the computation of mining occupation taxes; exempting S corporations from business activity report filing requirements; repealing an obsolete reference; amending Minnesota Statutes 1988, sections 273.1104, subdivision 2; 290.01, subdivision 19d; 290.015, subdivisions 2, 3, and 4; 290.092, subdivisions 2 and 4a; 290.191, subdivisions 6 and 11; 290.371; 298.01, subdivisions 3 and 4, and by adding subdivisions; and Laws 1988, chapter 719, article 2, section 57; repealing Minnesota Statutes 1988, section 52.22."

With the recommendation that when so amended the bill pass.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 115, A bill for an act relating to local government; authorizing towns to establish subordinate service districts; proposing coding for new law as Minnesota Statutes, chapter 365B.

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

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. No. 68 was read for the second time.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

Kostohryz, Scheid, Vanasek, Gutknecht and Schreiber introduced:

H. F. No. 385, A bill for an act relating to ethics in government; providing certain limits on fundraising events; proposing coding for new law in Minnesota Statutes, chapter 10A.

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

Welle, Greenfield, Brown, Swenson and Hasskamp introduced:

H. F. No. 386, A bill for an act relating to health; permitting various public hospitals to hold closed meetings on certain facility business; permitting certain data to be treated as trade secret information; amending Minnesota Statutes 1988, section 144.581, by adding a subdivision.

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

Sarna, Carlson, D.; Kalis; Hartle and Steensma introduced:

H. F. No. 387, A bill for an act relating to traffic regulations; exempting state patrol troopers from requirement of security barrier in marked state patrol vehicles; amending Minnesota Statutes 1988, section 169.98, by adding a subdivision.

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

O'Connor, Quinn, Sarna, Morrison and Osthoff introduced:

H. F. No. 388, A bill for an act relating to housing; appropriating lottery proceeds and other revenue to the home ownership assistance fund; proposing coding for new law in Minnesota Statutes, chapter 462A.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Schreiber, Scheid, Milbert, Seaberg and Dempsey introduced:

H. F. No. 389, A bill for an act relating to drivers' licenses; providing that person must discharge bad checks before driver's license or permit is issued, renewed, or reinstated; authorizing department of public safety to maintain records of bad checks submitted; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 171.

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

Kahn and Anderson, G., introduced:

H. F. No. 390, A bill for an act relating to appropriations; requiring recommendations of the legislative advisory commission to be made at a meeting of the commission except in certain circumstances; amending Minnesota Statutes 1988, section 3.30, subdivisions 1 and 2.

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

Bertram; Beard; Anderson, G., and Kahn introduced:

H. F. No. 391, A bill for an act relating to peace officers; providing benefits to good samaritans who assist peace officers; amending Minnesota Statutes 1988, section 176B.01, subdivision 2.

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

Johnson, R., Battaglia; Rukavina; Solberg and Carlson, D., introduced:

H. F. No. 392, A bill for an act relating to natural resources; increasing certain limits on security in lieu of bond for forestry development projects; amending Minnesota Statutes 1988, section 574.264, subdivision 1.

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

Kostohryz, Boo, McEachern, Redalen and Reding introduced:

H. F. No. 393, A bill for an act relating to charitable gambling; allowing licensed organizations to conduct casino nights under

specified conditions; allowing organizations to use profits derived from a casino night to maintain and repair real property that they own or lease; amending Minnesota Statutes 1988, sections 349.12, subdivisions 2, 15, and by adding a subdivision; and 349.214, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 349.

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

Dawkins and Osthoff introduced:

H. F. No. 394, A bill for an act relating to housing; changing terminology in the temporary housing demonstration program; extending the authorized duration of transitional housing; providing for an annual report to the legislature; amending Minnesota Statutes 1988, section 268.38, subdivisions 1, 2, 4, 8, 11, and 12.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Sviggum, Wenzel, Pelowski, Redalen and Waltman introduced:

H. F. No. 395, A bill for an act relating to veterans; changing the amount of state cash bonus payments to certain members of the Minnesota national guard; appropriating money; amending Laws 1988, chapter 686, article 1, section 21.

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

Greenfield; Ogren; Anderson, R.; Clark and Rodosovich introduced:

H. F. No. 396, A bill for an act relating to human services; increasing the medical assistance income standard for aged, blind, and disabled persons; amending Minnesota Statutes 1988, section 256B.056, subdivision 4.

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

McGuire, Vellenga, Weaver, Kelly and Blatz introduced:

H. F. No. 397, A bill for an act relating to criminal procedure; providing for the Ramsey county attorney to prosecute certain gross

misdemeanors; amending Minnesota Statutes 1988, section 388.051, subdivision 2.

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

Trimble; Clark; Carlson, L., and Jaros introduced:

H. F. No. 398, A bill for an act relating to education; requiring the state universities and community colleges to examine tuition-free education for American Indians.

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

O'Connor and Osthoff introduced:

H. F. No. 399, A bill for an act relating to housing; regulating the powers and duties of the housing finance agency; amending Minnesota Statutes 1988, sections 462A.03, subdivision 12; 462A.05, subdivisions 4, 14a, 20, 21, and 27, and by adding subdivisions; 462A.07, subdivision 14, and by adding a subdivision; and 462A.21, subdivisions 4c and 12, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Wagenius; Johnson, A., and Johnson, R., introduced:

H. F. No. 400, A bill for an act relating to natural resources; requiring written notice to the commissioner of natural resources of the vacation of roads, highways, streets, alleys, and similar public grounds that terminate at or abut upon any public water; amending Minnesota Statutes 1988, sections 161.16, subdivision 6; 163.11, by adding a subdivision; 164.07, subdivision 2; 412.851; 440.13; 440.135, subdivision 2; and 505.14.

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

Kahn introduced:

H. F. No. 401, A bill for an act relating to governmental operations; eliminating use of reorganization orders to transfer appropriations, powers, or duties; amending Minnesota Statutes 1988, section 16B.37, subdivisions 1 and 2; repealing Minnesota Statutes 1988, section 16B.37, subdivision 3.

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

Miller, Scheid, Gutknecht, Weaver and Macklin introduced:

H. F. No. 402, A bill for an act relating to the legislature; prohibiting the solicitation of funds during legislative sessions; providing certain exceptions; establishing penalties; proposing coding for new law in Minnesota Statutes, chapter 10A.

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

Greenfield; Vellenga; Ogren; Anderson, R., and Segal introduced:

H. F. No. 403, A bill for an act relating to human services; giving subpoena power to the ombudsman for mental health and retardation; requiring reporting of death or serious injury; amending Minnesota Statutes 1988, sections 245.91, by adding a subdivision; and 245.94, subdivision 1; and by adding a subdivision.

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

Greenfield; Segal; Clark; Anderson, R., and Trimble introduced:

H. F. No. 404, A bill for an act relating to health; requiring a person to be licensed to perform radon work; regulating radon testing and mitigation work; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 326.

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

Hasskamp, Wenzel, Kinkel, Ogren and McGuire introduced:

H. F. No. 405, A bill for an act relating to veterans; providing for establishment of a veterans home in Brainerd; proposing coding for new law in Minnesota Statutes, chapter 198.

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

Stanius, Neuenschwander, Reding, Rukavina and Miller introduced:

H. F. No. 406, A bill for an act relating to game and fish; allowing possession of a handgun while hunting bear with bow and arrow; amending Minnesota Statutes 1988, section 97B.211, subdivision 1.

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

Pappas introduced:

H. F. No. 407, A bill for an act relating to parentage; extending the time for bringing certain actions; amending Minnesota Statutes 1988, section 257.57, subdivision 1.

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

Wagenius, Winter, Dorn, Kalis and Morrison introduced:

H. F. No. 408, A bill for an act relating to transportation; specifying that state airports fund money may be used as state's match of costs of the federal essential air services program; establishing registration classification for recreational aircraft; amending Minnesota Statutes 1988, sections 360.305, subdivision 2; and 360.55, by adding a subdivision.

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

Johnson, R.; Kinkel; Segal; Trimble and Janezich introduced:

H. F. No. 409, A bill for an act relating to public employment; appointments to the classified service; certification of eligibles; permitting the commissioner of employee relations to limit certification in certain circumstances to those eligibles who meet special qualifications; amending Minnesota Statutes 1988, section 43A.13, subdivision 1.

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

Trimble; Rukavina; Johnson, A.; Dille and Kelly introduced:

H. F. No. 410, A bill for an act relating to public safety; defining

high pressure piping; regulating the practice of pipefitting; amending Minnesota Statutes 1988, section 326.461, subdivision 2.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Nelson, C.; Omann; McGuire; Kinkel and Jaros introduced:

H. F. No. 411, A bill for an act relating to education; appropriating money to the higher education coordinating board for a community service grant program for postsecondary institutions.

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

McEachern; Nelson, K.; Simoneau; Ozment and Kelso introduced:

H. F. No. 412, A bill for an act relating to education; changing the definitions of teachers and of supervisory and support personnel for the purpose of licensure; changing the kinds of personnel licensed by the board of teaching and the state board of education; changing the composition of the board of teaching; providing for teacher performance effectiveness plan; amending Minnesota Statutes 1988, sections 125.03, subdivisions 1 and 4; 125.05, subdivisions 1 and 2; 125.08; and 125.183, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 125.

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

Kelly; Olson, E.; O'Connor; Milbert and Welle introduced:

H. F. No. 413, A bill for an act relating to taxation; sales; providing an exemption for certain building materials; providing for a refund; amending Minnesota Statutes 1988, sections 297A.15, by adding a subdivision; and 297A.25, by adding a subdivision.

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

Scheid, Osthoff, Sparby, Boo and Olsen, S., introduced:

H. F. No. 414, A bill for an act relating to financial institutions; regulating the business of mortgage bankers, loan officers, general mortgage brokers, and individual mortgage brokers; establishing licensing requirements; detailing the supervising powers of the commissioner; prohibiting certain practices; prescribing penalties;

establishing an education, research, and recovery fund; appropriating money; amending Minnesota Statutes 1988, sections 47.208, subdivision 1; 82.17, subdivision 4; and 82.18; proposing coding for new law in Minnesota Statutes, chapters 65A and 279; proposing coding for new law as Minnesota Statutes, chapter 57; repealing Minnesota Statutes 1988, section 82.175.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Sviggum and Wenzel introduced:

H. F. No. 415, A bill for an act relating to agriculturally derived ethyl alcohol; clarifying eligibility for producer payments; defining terms; amending Minnesota Statutes 1988, section 41A.09, subdivisions 2 and 3.

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

Rukavina, Trimble, McEachern, Bauerly and Weaver introduced:

H. F. No. 416, A bill for an act relating to education; providing a resident district with notice of a pupil's participation in the enrollment options program; amending Minnesota Statutes 1988, section 120.062, subdivision 6.

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

Munger; Carlson, D.; Kahn; Anderson, G., and Himle introduced:

H. F. No. 417, A bill for an act relating to solid waste; establishing plans and programs to reduce waste generated, recycle waste, develop markets for recyclables, address materials that cause special problems in the waste stream, prevent, control, and abate litter, inform and educate the public on proper waste management; appropriating money; amending Minnesota Statutes 1988, sections 18B.01, by adding a subdivision; 115A.03, by adding subdivisions; 115A.072; 115A.12, subdivision 1; 115A.15, by adding subdivisions; 115A.46, subdivision 2; 115A.48, subdivision 3; and by adding subdivisions; 115A.96, subdivision 2, and by adding a subdivision; 116.07, by adding a subdivision; 116K.04, by adding a subdivision; 275.51, subdivision 1; 297A.01, subdivision 3; 297A.44, subdivision 1; 325E.115, subdivision 1; 400.08, by adding a subdivision; 473.149, subdivision 1; and 473.803, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 18B; 115A; 116C; 116J; 173; 297A; and 473.

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

Nelson, K., and McEachern introduced:

H. F. No. 418, A bill for an act relating to education; clarifying the procedure for the issuance of certain certificates of indebtedness or capital notes; amending Minnesota Statutes 1988, section 124.2445.

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

Kalis introduced:

H. F. No. 419, A bill for an act relating to charitable gambling; allowing organizations to use profits from charitable gambling to maintain and repair buildings they own or lease; amending Minnesota Statutes 1988, section 349.12, subdivision 11.

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

Jennings; Vanasek; Schreiber; Anderson, G., and Long introduced:

H. F. No. 420, A bill for an act relating to environment; requiring counties to provide an opportunity to recycle; requiring transportation of recyclable materials to processing and markets; requiring haulers of solid waste and recyclable materials to be licensed by local governments; requiring a charge for solid waste collection on a volume basis; providing financial assistance to counties for collection, transportation, processing, handling, and secondary market development of recyclables; imposing fees for land disposal of solid waste; assessing recycling fees to property owners based on generation of solid waste; developing a recycling and waste reduction program for use in schools; establishing a recycling account; requiring public agency purchase of recycled materials; reviewing barriers to recycling in public buildings; prohibiting incineration and land disposal of recyclable materials; prioritizing incineration and land disposal of waste; authorizing local governments to prohibit and remove unauthorized deposit of solid waste; providing a plan for processing and disposal of solid waste problem materials; appropriating money; amending Minnesota Statutes 1988, sections 16B.61, by adding a subdivision; 115A.919; 115A.95; 368.01, subdivision 14; 375.19, by adding a subdivision; and 412.221, subdivision 22; proposing coding for new law in Minnesota Statutes, chapters 16B and 115A.

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

Trimble; McEachern; Swenson; Olson, K., and Kelso introduced:

H. F. No. 421, A bill for an act relating to education; providing for the Minnesota career teacher act; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 129B.

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

Olsen, S.; Tompkins; Abrams; Heap and Bennett introduced:

H. F. No. 422, A bill for an act relating to taxation; property; extending the homestead and agricultural credit to taxes payable after 1989; abolishing transition aid, disparity aid, and other aids and credits; repealing increases in income maintenance payments; amending Minnesota Statutes 1988, sections 124.155, subdivision 2; 124.2131, subdivision 3; 124.2139; 124A.02, subdivision 3a; 256.01, subdivision 2; 256.72; 256.81; 256.82, subdivision 1; 256.863; 256.871, subdivision 6; 256.935, subdivision 1; 256.991; 256B.041, subdivisions 5 and 7; 256B.05, subdivision 1; 256B.091, subdivision 8; 256B.15; 256B.19, subdivisions 1 and 2; 256D.03, subdivisions 2 and 6; 256D.04; 256D.36, subdivision 1; 256G.01, subdivision 3; 256G.02, subdivision 4; 256G.04, subdivision 1; 256G.05; 256G.07; 256G.10; 256G.11; 273.123, subdivisions 4 and 5; 273.124, subdivisions 11 and 13; 273.13, subdivisions 22 and 23; 273.132, subdivisions 1, 2, and 5; 273.135, subdivision 2; 273.1391, subdivision 2; 273.1392; 273.165, subdivision 2; 275.065, subdivision 2; 275.07, subdivision 1; 275.08, subdivisions 1a and 1b; 275.50, subdivision 5; 275.51, subdivisions 3f and 3h; 276.04, subdivision 2; 290A.04, subdivision 2; 393.07, subdivisions 2 and 10; 473.446, subdivision 1; 473F.02, subdivision 23; 473F.05; 473F.06; 473F.07, subdivisions 1, 4, and 5; 473F.08, subdivisions 1, 2, 3a, 4, 5, 6, and 10; 473F.10; 477A.011, subdivisions 15, 20, and 21; and 477A.013, subdivision 3; Laws 1988, chapter 719, article 5, sections 81 and 84; repealing Minnesota Statutes 1988, sections 256.017; 256.018; 256.019; 273.13, subdivision 21a; 273.135, subdivision 2a; 273.1391, subdivision 2a; 273.1398; 275.07, subdivision 3; 275.08, subdivision 1c; 290A.04, subdivision 2b; and Laws 1988, chapter 719, article 8, sections 32, 33, 34, 35, and 36.

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

Vellenga introduced:

H. F. No. 423, A bill for an act relating to education; providing counseling and guidance services for elementary school students; proposing coding for new law in Minnesota Statutes, chapter 123.

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

O'Connor introduced:

H. F. No. 424, A bill for an act relating to commerce; unclaimed property; providing for the ownership of metal dies and molds; amending Minnesota Statutes 1988, section 345.20, subdivision 1.

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

Simoneau introduced:

H. F. No. 425, A bill for an act relating to retirement; providing entitlement to joint and survivor annuities for certain surviving spouses.

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

Dorn, Frederick, Ostrom, Scheid and Osthoff introduced:

H. F. No. 426, A bill for an act relating to the city of Mankato; authorizing location of certain polling places more than 3,000 feet outside precinct boundaries.

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

Pappas, Kelly, Vellenga, Greenfield and Hasskamp introduced:

H. F. No. 427, A bill for an act relating to crime; requiring county attorneys to develop written plea negotiation and charging policies; proposing coding for new law in Minnesota Statutes, chapter 388.

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

Solberg, Kinkel, Dille, Lasley and Cooper introduced:

H. F. No. 428, A bill for an act relating to public safety; transferring duties and powers relating to emergency medical services from the department of health to the department of public safety; instructing the revisor; amending Minnesota Statutes 1988, sections 144.801, subdivision 3; 144.802, subdivision 1; 144.804, subdivisions 1 and 5; and 144.8093, subdivisions 2 and 4.

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

Olsen, S.; Bennett; Pellow; Lynch and Knickerbocker introduced:

H. F. No. 429, A bill for an act relating to taxation; sales and use; repealing accelerated payment of June liability; amending Minnesota Statutes 1988, section 297A.27, subdivision 1; repealing Minnesota Statutes 1988, section 297A.275.

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

Milbert; Johnson, A.; Pugh; Scheid and Williams introduced:

H. F. No. 430, A bill for an act relating to education; establishing a basic revenue formula allowance for fiscal years 1990 and 1991; revising the training and experience revenue formula; amending Minnesota Statutes 1988, section 124A.22, subdivisions 2 and 4.

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

Milbert; O'Connor; Johnson, A.; Williams and Orenstein introduced:

H. F. No. 431, A bill for an act relating to taxation; individual income; modifying computation of the dependent care credit; indexing the offset for inflation; amending Minnesota Statutes 1988, section 290.067, subdivision 2, and by adding subdivisions.

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

Lasley, Reding, Beard and Johnson, R., introduced:

H. F. No. 432, A bill for an act relating to state agencies; providing for the development of internal auditing standards and requiring a

report to the legislature and the governor on progress made; providing for the classification of certain internal auditing data as confidential data on individuals, protected nonpublic data, or private data on individuals; requiring the commissioner to coordinate development and develop standards for internal auditing and report on progress; amending Minnesota Statutes 1988, section 16A.055, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 13.

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

Simoneau; Weaver; Johnson, A.; Segal and Morrison introduced:

H. F. No. 433, A bill for an act relating to water; providing urban drought relief; establishing a program of low-interest loans for repairs to drought-damaged homes; providing assistance to certain municipalities with water supply problems; studying surface back-water infiltration of water supplies; appropriating money.

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

O'Connor, Sarna, Frerichs, McEachern and Ogren introduced:

H. F. No. 434, A bill for an act relating to financial institutions; regulating certain arrangements to extend credit; authorizing acquisitions by reciprocal interstate banks and savings associations which express a commitment to provide certain forms of affordable credit; amending Minnesota Statutes 1988, sections 47.52; 47.62, subdivision 3; 48.185, subdivision 1; 48.93, subdivision 3; 48.99, subdivision 1; 51A.05, subdivision 3a; 51A.58; and 52.04, subdivision 1.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Swenson, McPherson, Omann, Weaver and Haukoos introduced:

H. F. No. 435, A bill for an act relating to education; establishing a basic revenue formula allowance for fiscal years 1990 and 1991; revising the training and experience revenue formula; amending Minnesota Statutes 1988, section 124A.22, subdivisions 2 and 4.

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

Johnson, A.; Kelso; Nelson, C.; McEachern and Williams introduced:

H. F. No. 436, A bill for an act relating to education; requiring the state board of education to adopt a rule on preparation time for teachers.

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

Otis; Vellenga; Schafer; Nelson, K., and McEachern introduced:

H. F. No. 437, A bill for an act relating to education; creating PER local school development councils; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 126.

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

Macklin, Orenstein, Pugh, Dempsey and Weaver introduced:

H. F. No. 438, A bill for an act relating to courts; specifying the income standard for proceeding in forma pauperis; amending Minnesota Statutes 1988, section 563.01, subdivision 3.

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

Carlson, L., introduced:

H. F. No. 439, A bill for an act relating to retirement; volunteer firefighters; excluding volunteer firefighters serving with the Robbinsdale fire department from the definition of "public employee"; providing for refunds.

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

Valento, Limmer, Lynch, Macklin and Henry introduced:

H. F. No. 440, A bill for an act relating to crime; enhancing penalties for offenders who unlawfully distribute controlled substances on school premises, at bus stops, or enroute to or from school; making possession and use of dangerous weapons while involved in unlawful controlled substance transactions a separate crime; requiring the attorney general to draft and disseminate a plain language version of these laws; amending Minnesota Statutes 1988, section

152.15, subdivision 1, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 152.

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

Olsen, S.; Blatz; Vellenga and Kelly introduced:

H. F. No. 441, A bill for an act relating to child support enforcement; permitting obligors to withdraw from the automatic withholding program; amending Minnesota Statutes 1988, section 518.613, subdivision 4.

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

Stanius, Omann, Marsh, Bishop and Blatz introduced:

H. F. No. 442, A bill for an act relating to crimes; providing mandatory minimum penalties for aggravated robbery of a pharmacy; amending Minnesota Statutes 1988, section 609.245.

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

Stanius, Neuenschwander, Miller, Rukavina and Omann introduced:

H. F. No. 443, A bill for an act relating to game and fish; authorizing taking of two deer under specified conditions; amending Minnesota Statutes 1988, section 97B.301, subdivision 4.

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

Weaver, Brown, Carruthers, Kelly and Macklin introduced:

H. F. No. 444, A bill for an act relating to data privacy; providing for access to private medical examiner data and other medical data by family members; amending Minnesota Statutes 1988, sections 13.42, subdivision 3; 13.83, subdivision 8; and 144.335, subdivision 1.

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

Vellenga, Vanasek, Rodosovich, Orenstein and Seaberg introduced:

H. F. No. 445, A bill for an act relating to alcoholic beverages; requiring registration numbers on kegs and barrels of beer and records of their sale; increasing penalties for selling or furnishing alcoholic beverages to a minor under certain circumstances; amending Minnesota Statutes 1988, sections 340A.701; and 340A.702; proposing coding for new law in Minnesota Statutes, chapter 340A.

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

Stanius, Neuenschwander, Miller, Rukavina and Omann introduced:

H. F. No. 446, A bill for an act relating to game and fish; authorizing taking of two deer; specifying methods for taking; amending Minnesota Statutes, 1988, section 97B.301, subdivision 4.

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

Weaver, Bauerly, Lynch and Jacobs introduced:

H. F. No. 447, A bill for an act relating to retirement; excluding members of the Anoka-Champlin joint volunteer fire department from membership in the public employees retirement association.

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

Weaver, Carruthers, Vellenga, Orenstein and Blatz introduced:

H. F. No. 448, A bill for an act relating to data practices; providing that victims of criminal sexual conduct have access to the assailant's medical data concerning testing for HIV antibody and sexually transmitted diseases; amending Minnesota Statutes 1988, sections 13.42, by adding a subdivision; and 144.335, by adding a subdivision.

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

Simoneau introduced:

H. F. No. 449, A bill for an act relating to corporations; providing

that the control share acquisition and business combination statutes apply to certain corporations unless they elect not to be covered; clarifying application of the statutes; reducing the period of time that business combinations are regulated from five years to three years; amending Minnesota Statutes 1988, sections 302A.011, subdivisions 41 and 49; 302A.671, subdivision 1; and 302A.673, subdivisions 1 and 3.

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

McGuire, Waltman, Jennings, Winter and Neuenschwander introduced:

H. F. No. 450, A bill for an act relating to natural resources; authorizing additions to and deletions from certain state parks and waysides; abolishing Little Elbow Lake State Park; repealing Minnesota Statutes 1988, section 85.012, subdivision 39.

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

Gruenes, Bertram, Marsh and Bauerly introduced:

H. F. No. 451, A bill for an act relating to human services; creating an exclusion to the human services licensing act; amending Minnesota Statutes 1988, section 245A.03, subdivision 2.

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

Kahn, Ogren, Dille, Skoglund and Hasskamp introduced:

H. F. No. 452, A bill for an act relating to health; amending the clean indoor air act; amending Minnesota Statutes 1988, sections 144.413, subdivision 2; 144.414, subdivisions 1 and 3; 144.415; and 144.416.

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

Uphus and Waltman introduced:

H. F. No. 453, A bill for an act relating to taxation; property; allowing agricultural homestead treatment in certain cases; amending Minnesota Statutes 1988, sections 273.124, subdivision 1, and by adding a subdivision; and 273.13, subdivision 23.

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

O'Connor, Osthoff, Sarna, Morrison and McGuire introduced:

H. F. No. 454, A bill for an act relating to financial institutions; electronic funds transfer facilities; requiring disclosure of the transaction charge on the customer's receipt or record; amending Minnesota Statutes 1988, section 47.69, subdivision 6.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Johnson, R.; Sparby; Lieder; Tunheim and Olson, E., introduced:

H. F. No. 455, A bill for an act relating to education; appropriating money to continue programs at the Northern Coalition Teacher Center.

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

Williams, Pugh, Orenstein and Johnson, A., introduced:

H. F. No. 456, A bill for an act relating to human rights; providing that failure to implement a comparable worth plan is an unfair discriminatory practice; amending Minnesota Statutes 1988, section 363.01, subdivision 9.

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

Stanius, Bennett, Lynch, Macklin and Abrams introduced:

H. F. No. 457, A bill for an act relating to student nutrition; expanding the school milk program to all grade levels; appropriating money; amending Minnesota Statutes 1988, section 124.648.

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

Clark, Greenfield, Jefferson and Ogren introduced:

H. F. No. 458, A bill for an act relating to human services; amending general assistance and work readiness programs for people who are functionally illiterate; amending Minnesota Stat-

utes 1988, sections 256D.05, subdivision 1; 256D.051, subdivisions 1, 2, 3, and 6a; and 256D.052.

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

Weaver, Kalis, Omann, Brown and McLaughlin introduced:

H. F. No. 459, A bill for an act relating to traffic regulations; providing for suspension of nonresident's driving privilege under certain circumstances; amending Minnesota Statutes 1988, sections 171.15 and 171.16.

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

Johnson, R.; Rukavina; Solberg; Janezich and Carlson, D., introduced:

H. F. No. 460, A bill for an act relating to natural resources; appropriating funds for control and removal of beaver.

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

Kelly, Vellenga, Orenstein, Miller and Wagenius introduced:

H. F. No. 461, A bill for an act relating to crime victims; modifying the limitations provision governing damage actions brought by sexual assault victims; requiring that victims of crimes against the person be informed of the conditions governing the convicted offender's release from confinement and the identity of the corrections agent supervising the offender; requiring that sexual assault victims be notified when the alleged sex offender is released from pretrial detention; amending Minnesota Statutes 1988, sections 541.07; and 611A.06; proposing coding for new law in Minnesota Statutes, chapters 541 and 629.

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

Gruenes, Henry, Poppenhagen, Frederick and Uphus introduced:

H. F. No. 462, A bill for an act relating to taxation; income; providing a credit for long-term care policy premiums; appropriating money; amending Minnesota Statutes 1988, section 290.06, by adding a subdivision.

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

Gruenes, Ogren, Battaglia, Waltman and Jennings introduced:

H. F. No. 463, A bill for an act relating to health; authorizing the public facilities authority to make health care planning grants and capital equipment loans available to small hospitals; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 446A.

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

Redalen, Kostohryz, Kelso, Ostrom and Waltman introduced:

H. F. No. 464, A bill for an act relating to horse racing; allowing certain money in the breeders fund to be expended for equine promotion; amending Minnesota Statutes 1988, section 240.18.

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

#### HOUSE ADVISORIES

The following House Advisories were introduced:

Johnson, V.; Henry; Brown; Girard and Milbert introduced:

H. A. No. 1, A proposal to study use of private property for underage consumption of alcohol.

The advisory was referred to the Committee on Judiciary.

Gutknecht and Simoneau introduced:

H. A. No. 2, A proposal to study the state flag.

The advisory was referred to the Committee on Governmental Operations.

**MESSAGES FROM THE SENATE**

The following messages were received from the Senate:

Mr. Speaker:

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

H. F. No. 1, A bill for an act relating to courts; reenacting the statutory provision authorizing six member juries in nonfelony cases; reenacting Minnesota Statutes 1988, section 593.01, subdivision 1.

PATRICK E. FLAHAVER, Secretary of the Senate

Mr. Speaker:

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

S. F. No. 25.

PATRICK E. FLAHAVER, Secretary of the Senate

**FIRST READING OF SENATE BILLS**

S. F. No. 25, A bill for an act relating to the legislature; correcting inaccurate references to senate committees; removing an obsolete reference to senate and house committees; amending Minnesota Statutes 1988, sections 97A.045, subdivision 8; 97A.065, subdivision 3; 116E.035; and 480.256.

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

**CONSENT CALENDAR**

H. F. No. 29, A bill for an act relating to examiners of title; increasing number of deputy examiners of title in second and fourth judicial districts; amending Minnesota Statutes 1988, section 508.12, 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 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Girard	Krueger	Onnen	Seaberg
Anderson, G.	Greenfield	Lasley	Orenstein	Segal
Anderson, R.	Gruenes	Lieder	Osthoff	Simoneau
Battaglia	Gutknecht	Limmer	Ostrom	Skoglund
Bauerly	Hartle	Long	Otis	Solberg
Beard	Hasskamp	Lynch	Ozment	Sparby
Begich	Haukoos	Macklin	Pappas	Stanius
Bennett	Heap	Marsh	Pauly	Steenasma
Bertram	Henry	McDonald	Pellow	Sviggum
Blatz	Himle	McEachern	Pelowski	Swenson
Boo	Hugoson	McGuire	Peterson	Tjornhom
Brown	Jacobs	McLaughlin	Poppenhagen	Tompkins
Burger	Janezich	McPherson	Price	Trimble
Carlson, D.	Jaros	Milbert	Pugh	Tunheim
Carlson, L.	Jefferson	Miller	Quinn	Uphus
Carruthers	Jennings	Morrison	Redalen	Valento
Clark	Johnson, A.	Munger	Reding	Vellenga
Conway	Johnson, R.	Nelson, C.	Rest	Wagenius
Cooper	Johnson, V.	Nelson, K.	Rice	Waltman
Dauner	Kahn	Neuenschwander	Richter	Weaver
Dawkins	Kalis	O'Connor	Rodosovich	Welle
Dempsey	Kelly	Ogren	Rukavina	Wenzel
Dille	Kelso	Olsen, S.	Sarna	Williams
Dorn	Kinkel	Olson, E.	Schafer	Winter
Frederick	Knickerbocker	Olson, K.	Scheid	Wynia
Frerichs	Kostohryz	Omann	Schreiber	Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 122, A bill for an act relating to crimes; providing for an exception to certain activities prohibited on buses; amending Minnesota Statutes 1988, section 609.855, 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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Burger	Frerichs	Janezich	Kostohryz
Anderson, G.	Carlson, D.	Girard	Jaros	Krueger
Anderson, R.	Carlson, L.	Greenfield	Jefferson	Lasley
Battaglia	Carruthers	Gruenes	Jennings	Lieder
Bauerly	Clark	Gutknecht	Johnson, A.	Limmer
Beard	Conway	Hartle	Johnson, R.	Long
Begich	Cooper	Hasskamp	Johnson, V.	Lynch
Bennett	Dauner	Haukoos	Kahn	Macklin
Bertram	Dawkins	Heap	Kalis	Marsh
Bishop	Dempsey	Henry	Kelly	McDonald
Blatz	Dille	Himle	Kelso	McEachern
Boo	Dorn	Hugoson	Kinkel	McGuire
Brown	Frederick	Jacobs	Knickerbocker	McLaughlin

McPherson	Onnen	Quinn	Simoneau	Vellenga
Milbert	Orenstein	Redalen	Skoglund	Wagenius
Miller	Osthoff	Reding	Solberg	Waltman
Morrison	Ostrom	Rest	Sparby	Weaver
Munger	Otis	Rice	Stanisus	Welle
Nelson, C.	Ozment	Richter	Steensma	Wenzel
Nelson, K.	Pappas	Rodosovich	Sviggum	Williams
Neuenschwander	Pauly	Rukavina	Swenson	Winter
O'Connor	Pellow	Sarna	Tjornhom	Wynia
Ogren	Pelowski	Schafer	Tompkins	Spk. Vanasek
Olsen, S.	Peterson	Scheid	Trimble	
Olson, E.	Poppenhagen	Schreiber	Tunheim	
Olson, K.	Price	Seaberg	Uphus	
Omann	Pugh	Segal	Valento	

The bill was passed and its title agreed to.

### MOTIONS AND RESOLUTIONS

McLaughlin moved that the name of Jefferson be added as an author on H. F. No. 42. The motion prevailed.

Pelowski moved that the name of Frederick be added as an author on H. F. No. 165. The motion prevailed.

Boo moved that the name of Kostohryz be added as an author on H. F. No. 239. The motion prevailed.

Wenzel moved that the name of Cooper be added as an author on H. F. No. 301. The motion prevailed.

Clark moved that the name of Long be added as an author on H. F. No. 317. The motion prevailed.

Orenstein moved that the name of Long be added as an author on H. F. No. 330. The motion prevailed.

Price moved that the name of Solberg be added as an author on H. F. No. 331. The motion prevailed.

Simoneau moved that the names of Segal and Trimble be added as authors on H. F. No. 334. The motion prevailed.

Simoneau moved that the names of Valento, Segal and Trimble be added as authors on H. F. No. 335. The motion prevailed.

Simoneau moved that the names of Trimble and Segal be added as authors on H. F. No. 336. The motion prevailed.

Jennings moved that the name of Jefferson be added as an author on H. F. No. 337. The motion prevailed.

Bauerly moved that the names of Schafer and Gruenes be added as authors on H. F. No. 339. The motion prevailed.

Bauerly moved that the names of Olsen, S., and Schafer be added as authors on H. F. No. 340. The motion prevailed.

Price moved that the name of Marsh be added as an author on H. F. No. 349. The motion prevailed.

Kelso moved that the name of Sparby be added as an author on H. F. No. 363. The motion prevailed.

Tunheim moved that the name of Neuenschwander be added as an author on H. F. No. 373. The motion prevailed.

McLaughlin, Jefferson, Wynia, Schreiber and Vanasek introduced:

House Resolution No. 3, A house resolution commemorating A. Phillip Randolph and his lifetime devotion to ending discrimination against African-Americans.

The resolution was referred to the Committee on Rules and Legislative Administration.

#### ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 2:30 p.m., Thursday, February 9, 1989. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Thursday, February 9, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION—1989

## ELEVENTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, FEBRUARY 9, 1989

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

Prayer was offered by the Reverend Rebecca Tollefson from the Commission on Faith and Order of the Minnesota Council of Churches and First Presbyterian Church, Stillwater, Minnesota.

The Speaker administered the oath of office to the new House member, Linda C. Runbeck, from District 52A. Her certificate of election and a signed and sworn statement of her oath are on file. She was elected in a special election held on Saturday, February 4, 1989, following the resignation of Gordon O. Voss dated January 4, 1989.

The roll was called and the following members were present:

Abrams	Girard	Krueger	Omann	Scheid
Anderson, G.	Greenfield	Lasley	Onnen	Schreiber
Anderson, R.	Gruenes	Lieder	Orenstein	Seaberg
Battaglia	Gutknecht	Limmer	Osthoff	Segal
Bauerly	Hartle	Long	Ostrom	Simoneau
Beard	Hasskamp	Lynch	Otis	Skoglund
Begich	Haukoos	Macklin	Ozment	Solberg
Bennett	Heap	Marsh	Pappas	Sparby
Bertram	Henry	McDonald	Pauly	Stanisus
Bishop	Himle	McEachern	Pellow	Steenasma
Blatz	Hugoson	McGuire	Pelowski	Sviggum
Boo	Jacobs	McLaughlin	Peterson	Swenson
Brown	Janezich	McPherson	Poppenhagen	Tjornhom
Burger	Jaros	Milbert	Price	Tompkins
Carlson, D.	Jefferson	Miller	Pugh	Trimble
Carlson, L.	Jennings	Morrison	Quinn	Tunheim
Clark	Johnson, A.	Munger	Redalen	Uphus
Conway	Johnson, R.	Murphy	Reding	Valento
Cooper	Johnson, V.	Nelson, C.	Rest	Vellenga
Dauner	Kahn	Nelson, K.	Rice	Wagenius
Dawkins	Kalis	Neuenschwander	Richter	Waltman
Dempsey	Kelly	O'Connor	Rodosovich	Weaver
Dille	Kelso	Ogren	Rukavina	Welle
Dorn	Kinkel	Olsen, S.	Runbeck	Wenzel
Frederick	Knickerbocker	Olson, E.	Sarna	Williams
Frerichs	Kostohryz	Olson, K.	Schafer	Winter
				Wynia
				Spk. Vanasek

A quorum was present.

Carruthers and Forsythe were excused.

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

Pursuant to Rules of the House, printed copies of H. F. No. 68 and S. F. No. 25 have been placed in the members' files.

#### REPORTS OF STANDING COMMITTEES

McEachern from the Committee on Education to which was referred:

H. F. No. 141, A bill for an act relating to education; correcting, clarifying, repealing, and changing certain education statutes; amending Minnesota Statutes 1988, sections 120.062, subdivisions 1 and 12; 121.88, subdivision 10; 121.904, subdivision 4a; 121.912, subdivision 1; 123.36, subdivision 13; 123.705, subdivision 1; 124.155, subdivision 2; 124.214, subdivisions 2 and 3; 124.225, subdivisions 1, 4b, 7a, 7b, 8a, 8b, 8i, 8j, 8k, 8l, 10, and by adding a subdivision; 124.245, subdivision 6; 124.575, subdivision 1; 124A.24; 126.22, subdivisions 2 and 3; and 275.125, subdivisions 5b, 5c, 5e, and 9; repealing Minnesota Statutes 1988, sections 120.02, subdivisions 2, 3, 4, 5, 6, 8, 9, 12, and 18; 120.05, subdivision 1; 120.075; 120.0751; 120.0752; 120.13; 120.14; 120.15; 120.16; 120.77; 121.09; 121.11, subdivision 13; 121.12; 121.151; 121.19; 121.28; 121.35; 121.49, subdivision 1; 121.496, subdivision 1; 121.83; 121.84; 121.845; 121.85; 121.86; 121.882, subdivisions 6 and 10; 121.902, subdivision 2; 121.9121, subdivision 6; 122.86; 122.87; 122.88; 123.35, subdivisions 8a, 8b, and 8c; 123.3511; 123.3512; 123.39, subdivision 5; 123.581, subdivisions 1 and 6; 123.60; 123.601; 123.61; 123.68; 123.701; 123.744; 124.12, subdivision 1; 124.18, subdivisions 2 and 3; 124.2138, subdivisions 3 and 4; 124.225, subdivisions 8i and 8j; 124.496; 124.573, subdivision 2; 124A.27, subdivision 7; 125.02; 125.231, subdivision 3; 125.241, subdivision 3; 125.60, subdivision 7; 126.02; 126.025; 126.03; 126.05; 126.07; 126.10; 126.11; 126.268, subdivision 2; 126.39, subdivision 11; 126.52, subdivision 11; 126.70, subdivision 3; 126.80; 127.08; 129B.52, subdivision 3; and 275.128.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 120.062, subdivision 1, is amended to read:

Subdivision 1. [CERTAIN DISTRICTS EXCLUDED.] For the 1989-1990 school year only, this section applies to a district that has more than 1,000 actual pupil units in kindergarten through grade 12 during the 1987-1988 school year.

Sec. 2. Minnesota Statutes 1988, section 120.062, subdivision 12, is amended to read:

Subd. 12. [GENERAL EDUCATION AID.] Adjustments to general education aid, capital expenditure facilities aid, and equipment aid for the resident and nonresident districts shall be made according to section sections 124A.036, subdivision 5, and 124.245, subdivision 6, respectively.

Sec. 3. Minnesota Statutes 1988, section 120.075, subdivision 5, is amended to read:

Subd. 5. General education aid, capital expenditure facilities aid, capital expenditure equipment aid, and transportation aid attributable to pupils covered by programs under this section must be paid according to sections 124A.036, subdivision 5, 124.245, subdivision 6, and 124.225, subdivision 8l, respectively.

Sec. 4. Minnesota Statutes 1988, section 120.0751, subdivision 6, is amended to read:

Subd. 6. [AID.] General education aid, capital expenditure facilities aid, capital expenditure equipment aid, and transportation aid for pupils covered by programs under this section must be paid according to sections 124A.036, subdivision 5, 124.245, subdivision 6, and 124.225, subdivision 8l, respectively.

Sec. 5. Minnesota Statutes 1988, section 120.0752, subdivision 4, is amended to read:

Subd. 4. General education aid, capital expenditure facilities aid, capital expenditure equipment aid, and transportation aid for pupils covered by programs under this section must be paid according to sections 124A.036, subdivision 5, 124.245, subdivision 6, and 124.225, subdivision 8l, respectively.

Sec. 6. Minnesota Statutes 1988, section 121.88, subdivision 10, is amended to read:

Subd. 10. [EXTENDED DAY PROGRAMS.] A school board may offer, as part of a community education program, an extended day program for children from kindergarten through grade 6 for the purpose of expanding students' learning opportunities. A program must include the following:

- (1) adult supervised programs while school is not in session;
- (2) parental involvement in program design and direction;
- (3) partnerships with the K-12 system, and other public, private, or nonprofit entities; and
- (4) opportunities for trained secondary school pupils to work with younger children in a supervised setting as part of a community service program.

The district may charge a sliding fee based upon family income for extended day programs. The district may receive money from other public or private sources for the extended day program. The state board of education shall develop standards for school age child care programs.

Sec. 7. Minnesota Statutes 1988, section 121.904, subdivision 4a, is amended to read:

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

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

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

(2) the sum of the state aids and credits enumerated in section 124.155, subdivision 2, which are for the fiscal year payable in that fiscal year plus 27 percent of the amount of the levy certified in the prior calendar year according to section 124A.03, subdivision 2, plus or minus auditor's adjustments, not including levy portions that are assumed by the state; or

(3) 27 percent of the amount of the levy certified in the prior calendar year, plus or minus auditor's adjustments, not including

levy portions that are assumed by the state, which remains after subtracting, by fund, the amounts levied for the following purposes:

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

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

(iii) retirement and severance pay pursuant to section 275.125, subdivision 6a, and Laws 1975, chapter 261, section 4; and

(iv) amounts levied for bonds issued and interest thereon, amounts levied for debt service loans and capital loans, amounts levied for down payments under section 124.82, subdivision 3, amounts levied for education district bonds under section 122.96, subdivision 5, and amounts levied pursuant to section 275.125, subdivision 14a.

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

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

Sec. 8. Minnesota Statutes 1988, section 121.912, subdivision 1, is amended to read:

Subdivision 1. [LIMITATIONS.] Except as provided in this subdivision, sections 121.9121, 123.36, 124.243, 475.61, and 475.65, a school district may not permanently transfer money from (1) an operating fund to a nonoperating fund; (2) a nonoperating fund to another nonoperating fund; or (3) a nonoperating fund to an operating fund. Permanent transfers may be made from any fund to any other fund to correct for prior fiscal years' errors discovered after the books have been closed for that year. Permanent transfers may be made from the general fund to any other operating funds according to section 11 or if the resources of the other fund are not adequate to finance approved expenditures from that other fund. Permanent transfers may also be made from the general fund to eliminate deficits in another fund when that other fund is being discontinued. When a district discontinues operation of a district-owned bus fleet or a substantial portion of a fleet, permanent transfers may be made from the fund balance account entitled "pupil transportation fund

reserved for bus purchases" to the capital expenditure fund, with the approval of the commissioner. The levy sum of the levies authorized pursuant to sections 124.243 and, 124.244, and 124.83, shall be reduced by an amount equal to the amount transferred. Any school district may transfer any amount from the undesignated fund balance account in its transportation fund to the other operating fund or to the reserved fund balance account for bus purchases in its transportation fund.

Sec. 9. Minnesota Statutes 1988, section 123.3515, subdivision 9, is amended to read:

Subd. 9. [AID.] General education aid, capital expenditure facilities aid, capital expenditure equipment aid, and transportation aid attributable to pupils covered by programs under this section must be paid according to sections 124A.036, subdivision 5, 124.245, subdivision 6, and 124.225, subdivision 8l, respectively.

Sec. 10. Minnesota Statutes 1988, section 123.36, subdivision 13, is amended to read:

Subd. 13. [PROCEEDS OF SALE OR EXCHANGE.] Proceeds of the sale or exchange of school buildings or real property of the school district shall be used as provided in this subdivision.

(1) In districts with outstanding bonds, the proceeds of the sale or exchange shall first be deposited in the debt retirement fund of the district in an amount sufficient to meet when due that percentage of the principal and interest payments for outstanding bonds which is ascribable to the payment of expenses necessary and incidental to the construction or purchase of the particular building or property which is sold.

(2) After satisfying the requirements of clause (1), a district with outstanding bonds may deposit proceeds of the sale or exchange in its capital expenditure fund if the amount deposited is used for the following:

(a) for expenditures for the removal of asbestos from school buildings or property or for asbestos encapsulation, if the method for asbestos removal or encapsulation is approved by the department of education;

(b) for expenditures for the cleanup of polychlorinated biphenyls, if the method for cleanup is approved by the department of education;

(c) for capital expenditures for the betterment, as defined in section 475.51, subdivision 8, of district-owned school buildings, other than as provided in clause (a); or

(d) to replace the building or property sold.

The amount of the proceeds used for the purposes specified in clauses (a) and (b) shall be deducted from the levy limitation computed for the levy authorized in section 275.125, subdivision 11e 124.83, subdivision 4, in the first year after the deposit and from levy limitations computed for this levy in succeeding years until the entire amount is deducted.

(3) In a district with outstanding bonds, the amount of the proceeds of the sale or exchange remaining after the application of clauses (1) and (2), which is sufficient to meet when due that percentage of the principal and interest payments for the district's outstanding bonds which is not governed by clause (1), shall be deposited in the debt retirement fund.

(4) Any proceeds of the sale or exchange remaining in districts with outstanding bonds after the application of clauses (1), (2), and (3), and all proceeds of the sale or exchange in districts without outstanding bonds shall be deposited in the capital expenditure fund of the district.

(5) Notwithstanding clauses (2) and (3), a district with outstanding bonds may deposit in its capital expenditure fund and use for any lawful capital expenditure without the reduction of any levy limitation the same percentage of the proceeds of the sale or exchange of a building or property as the percentage of the initial cost of purchasing or constructing the building or property which was paid using revenue from the capital expenditure fund.

(6) Every district which sells or exchanges a building or property shall report to the commissioner in the form and at the time the commissioner prescribes on the disposition of the proceeds of the sale or exchange.

Sec. 11. Minnesota Statutes 1988, section 123.705, subdivision 1, is amended to read:

Subdivision 1. [AID AMOUNTS.] The state shall pay each school district for the cost of screening services provided according to sections 123.701 to 123.705 an amount equal to \$8.15 per child screened. If this amount of aid is not sufficient, the district may permanently transfer from the general fund an amount that, when added to the aid, is sufficient.

Sec. 12. Minnesota Statutes 1988, section 124.155, subdivision 2, is amended to read:

Subd. 2. [ADJUSTMENT TO AIDS.] The amount specified in

subdivision 1 shall be used to adjust the following state aids and credits in the order listed:

- (a) general education aid authorized in section 124A.23;
- (b) secondary vocational aid authorized in section 124.573;
- (c) special education aid authorized in section 124.32;
- (d) secondary vocational aid for handicapped children authorized in section 124.574;
- (e) aid for pupils of limited English proficiency authorized in section 124.273;
- (f) transportation aid authorized in section 124.225;
- (g) community education programs aid authorized in section 124.271;
- (h) adult education aid authorized in section 124.26;
- (i) early childhood family education aid authorized in section 124.2711;
- (j) capital expenditure aid authorized in sections 124.243, 124.244, and 124.245 124.83;
- (k) homestead credit under section 273.13 for taxes payable in 1989 and under section 273.1398 for taxes payable in 1990 and thereafter;
- (l) agricultural credit under section 273.132 for taxes payable in 1989 and under section 273.1398 for taxes payable in 1990 and thereafter; and
- (m) transition aid and disparity reduction aid authorized in section 273.1398;
- (n) attached machinery aid authorized in section 273.138, subdivision 3.

The commissioner of education shall schedule the timing of the adjustments to state aids and credits specified in subdivision 1, as close to the end of the fiscal year as possible.

Sec. 13. Minnesota Statutes 1988, section 124.214, subdivision 2, is amended to read:

Subd. 2. [ABATEMENTS:] Whenever by virtue of chapter 278, sections 270.07, 375.192, or otherwise, the gross tax capacity of any school district for any taxable year is changed after the taxes for that year have been spread by the county auditor and the tax capacity rate as determined by the county auditor based upon the original gross tax capacity is applied upon the changed gross tax capacities, the county auditor shall, prior to February 1 of each year, certify to the commissioner of education the amount of any resulting net revenue loss that accrued to the school district during the preceding year. Each year, the commissioner shall pay an abatement adjustment to the district in an amount calculated according to the provisions of this subdivision. This amount shall be deducted from the amount of the levy authorized by section 275.48. The abatement adjustment shall be recognized as revenue in the fiscal year in which it is received. The amount of the abatement adjustment shall be the product of:

- (1) the net revenue loss as certified by the county auditor, times
- (2) the ratio of:
  - (a) the sum of the amounts of the district's certified levy in the preceding October according to the following:
    - (i) section 124A.23 if the district receives general education aid according to that section;
    - (ii) section 275.125, subdivisions 5 and 5c, if the district receives transportation aid according to section 124.225;
    - (iii) section 124.243, if the district receives capital expenditure facilities aid according to that section;
    - (iv) section 124.244, if the district receives capital expenditure equipment aid according to that section;
    - (v) ~~(iv)~~ section 275.125, subdivision 11e 124.83, if the district receives hazardous substance health and safety aid according to that section 124.245;
    - (vi) ~~(v)~~ section 275.125, subdivision 8, clauses (a) and (b); if the district receives community education aid according to section 124.271;
    - (vii) ~~(vi)~~ section 275.125, subdivision 8b, if the district receives early childhood family education aid according to section 124.2711; and
    - (viii) ~~(vii)~~ section 275.125, subdivision 6f, if the district receives exceptional need aid according to section 124.217;

(b) to the total amount of the district's certified levy in the preceding October, plus or minus auditor's adjustments.

Sec. 14. Minnesota Statutes 1988, section 124.214, subdivision 3, is amended to read:

Subd. 3. [EXCESS TAX INCREMENT.] If a return of excess tax increment is made to a school district pursuant to section 469.176, subdivision 2, or upon decertification of a tax increment district, the school district's aid and levy limitations must be adjusted for the fiscal year in which the excess tax increment is paid under the provisions of this subdivision.

(a) An amount must be subtracted from the school district's aid for the current fiscal year equal to the product of:

(1) the amount of the payment of excess tax increment to the school district, times

(2) the ratio of:

(A) the sum of the amounts of the school district's certified levy for the fiscal year in which the excess tax increment is paid according to the following:

(i) section 124A.23 if the district receives general education aid according to that section;

(ii) section 275.125, subdivisions 5 and 5c, if the school district receives transportation aid according to section 124.225;

(iii) ~~section 124.244~~ 124.243, if the district receives capital expenditure facilities aid according to that section;

(iv) section 124.244, if the district receives capital expenditure equipment aid according to that section;

(v) ~~section 275.125, subdivision 11e~~ 124.83, if the district receives ~~hazardous substance~~ health and safety aid according to that section 124.245;

(~~v~~) (vi) section 275.125, subdivision 8, clauses (a) and (b), if the district receives community education aid according to section 124.271;

(~~vi~~) (vii) section 275.125, subdivision 8b, if the district receives early childhood family education aid according to section 124.2711; and

(vii) (viii) section 275.125, subdivision 6f, if the district receives exceptional need aid according to section 124.217;

(B) to the total amount of the school district's certified levy for the fiscal year, plus or minus auditor's adjustments.

(b) An amount must be subtracted from the school district's levy limitation for the next levy certified equal to the difference between:

- (1) the amount of the distribution of excess increment, and
- (2) the amount subtracted from aid pursuant to clause (a).

If the aid and levy reductions required by this subdivision cannot be made to the aid for the fiscal year specified or to the levy specified, the reductions must be made from aid for subsequent fiscal years, and from subsequent levies. The school district shall use the payment of excess tax increment to replace the aid and levy revenue reduced under this subdivision.

This subdivision applies only to the total amount of excess increments received by a school district for a calendar year that exceeds \$25,000.

Sec. 15. Minnesota Statutes 1988, section 124.225, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For purposes of this section, the terms defined in this subdivision have the meanings given to them.

(a) "FTE" means a transported full-time equivalent pupil whose transportation is authorized for aid purposes by section 124.223.

(b) "Authorized cost for regular transportation" means the sum of:

(1) all expenditures for transportation in the regular category, as defined in clause (e)(1), for which aid is authorized in section 124.223, plus

(2) an amount equal to one year's depreciation on the district's school bus fleet and mobile units computed on a straight line basis at the rate of 12½ percent per year of the cost of the fleet, plus

(3) an amount equal to one year's depreciation on district school buses reconditioned by the department of corrections computed on a straight line basis at the rate of 33⅓ percent per year of the cost to the district of the reconditioning, plus

(4) an amount equal to one year's depreciation on the district's type three school buses, as defined in section 169.44, subdivision 15,

which were purchased after July 1, 1982, for authorized transportation of pupils, with the prior approval of the commissioner, computed on a straight line basis at the rate of 20 percent per year of the cost of the type three school buses.

(c) "Adjusted authorized predicted cost per FTE" means the authorized cost predicted by a multiple regression formula determined by the department of education, and adjusted pursuant to subdivision 7a.

(d) "Aid entitlement per FTE Regular transportation allowance" means the adjusted authorized predicted cost per FTE, inflated pursuant to subdivision 7b.

(e) "Transportation category" means a category of transportation service provided to pupils.

(1) ~~For the purposes of this section, transportation categories for the 1986-1987 and 1987-1988 school years are as follows:~~

(i) ~~regular transportation is transportation services provided during the regular school year under section 124.223, clauses (1) and (2), excluding transportation between schools under section 124.223, clause (1); and~~

(ii) ~~nonregular transportation is transportation services provided between schools under section 124.223, clause (1); and transportation services provided under section 124.223, clauses (3), (4), (5), (6), (7), (8), (9), and (10).~~

(2) ~~For purposes of this section, for the 1988-1989 school year and after:~~

(i) (1) ~~regular transportation is transportation services provided during the regular school year under section 124.223, clauses (1) and (2), excluding the following transportation services provided under section 124.223, clause (1): transportation between schools; noon transportation to and from school for kindergarten pupils attending half-day sessions; late transportation home from school for pupils involved in after school activities; transportation of pupils to and from schools located outside their normal attendance areas under the provisions of a plan for desegregation mandated by the state board of education or under court order; and~~

(ii) (2) ~~nonregular transportation is transportation services provided under section 124.223, clause (1), that are excluded from the regular category, and transportation services provided under section 124.223, clauses (3), (4), (5), (6), (7), (8), (9), and (10); and~~

(3) excess transportation is transportation to and from school for

secondary pupils residing at least one mile but less than two miles from the public school they could attend or from the nonpublic school actually attended, and transportation to and from school for pupils residing less than one mile from school who are transported because of extraordinary traffic hazards.

(f) "Mobile unit" means a vehicle or trailer designed to provide facilities for educational programs and services, including diagnostic testing, guidance and counseling services, and health services. A mobile unit located off nonpublic school premises is a neutral site as defined in section 123.932, subdivision 9.

(g) "Current year" means the school year for which aid will be paid.

(h) "Base year" means the second school year preceding the school year for which aid will be paid.

(i) "Base cost" for the 1984-1985 and 1985-1986 base years means the authorized regular transportation cost per FTE in the base year in the regular transportation category, excluding summer school transportation. Base cost for the 1986-1987 base year and after means the ratio of:

(1) the sum of:

(i) the authorized cost in the base year for regular transportation as defined in clause (b), plus

(ii) the actual cost in the base year for excess transportation to and from school of secondary pupils who live more than one mile but less than two miles from the public school that they could attend or from the nonpublic school actually attended, plus

(iii) the actual cost in the base year for transportation costs which are necessary because of extraordinary traffic hazards as defined in paragraph (e), clause (3),

(2) to the sum of:

(i) the number of FTE pupils transported in the regular category in the base year, plus

(ii) the number of secondary FTE pupils transported to and from school in the base year who live more than one mile but less than two miles from the public school that they could attend or from the nonpublic school actually attended, plus

(iii) the number of FTE pupils residing less than one mile from

school who were transported to and from school in the base year because of extraordinary traffic hazards in the excess category.

(j) "Predicted base cost" means the base cost as predicted by subdivision 3.

Sec. 16. Minnesota Statutes 1988, section 124.225, subdivision 4b, is amended to read:

Subd. 4b. [FORMULA TERMS.] (a) To predict the logarithm of the base cost for each district pursuant to subdivision 3 for the 1985-1986 base year, the multiple regression formula shall use the following terms for each district:

(1) the logarithm of the lesser of (a) the number of authorized FTE's per square mile transported by the district in the regular transportation category, or (b) 200;

(2) whether the district is nonrural, based upon criteria established by the department of education; and

(3) the logarithm of the percentage of all FTE's transported in the regular category using buses that are not owned by the district.

(b) To predict the logarithm of the base cost for each district according to subdivision 3 for the 1986-1987 base year and thereafter, the multiple regression formula shall use the following terms for each district:

(1) the logarithm of the lesser of:

(A) 200; or

(B) the quotient obtained by dividing the sum of:

(i) the number of FTE pupils transported in the regular category in the base year, plus

(ii) the number of secondary FTE pupils transported to and from school in the base year who live more than one mile but less than two miles from the public school that they could attend or from the nonpublic school actually attended, plus

(iii) the number of FTE pupils residing less than one mile from school who were transported to and from school in the base year because of extraordinary traffic hazards in the excess category,

(C) by the area of the district in square miles;

(2) whether the district is nonrural, based upon criteria established by the department of education; and

(3) the logarithm of the percentage of all FTE's transported in the regular category using buses that are not owned by the district.

Sec. 17. Minnesota Statutes 1988, section 124.225, subdivision 7a, is amended to read:

Subd. 7a. [BASE YEAR SOFTENING FORMULA.] Each district's predicted base cost determined for each school year according to subdivision 3 shall be adjusted as provided in this ~~clause~~ subdivision to determine the district's adjusted authorized predicted cost per FTE for that year.

(a) If the base cost of the district is within five percent of the predicted base cost, the district's adjusted authorized predicted cost per FTE shall be equal to the base cost.

(b) If the base cost of the district is more than five percent greater than the predicted base cost, the district's adjusted authorized predicted cost per FTE shall be equal to 105 percent of the predicted base cost, plus 40 percent of the difference between (i) the base cost, and (ii) 105 percent of the predicted base cost. However, in no case shall a district's adjusted authorized predicted cost per FTE be less than 80 percent of base cost.

(c) If the base cost of the district is more than five percent less than the predicted base cost, the district's adjusted authorized predicted cost per FTE shall be equal to 95 percent of the predicted base cost, minus 40 percent of the difference between (i) 95 percent of predicted base cost, and (ii) the base cost. However, in no case shall a district's adjusted authorized predicted cost per FTE be more than 120 percent of base cost.

Sec. 18. Minnesota Statutes 1988, section 124.225, subdivision 7b, is amended to read:

Subd. 7b. [INFLATION FACTORS.] The adjusted authorized predicted cost per FTE determined for a district under subdivision 7a for the base year shall be increased by 6.0 percent to determine the district's aid entitlement per FTE for the 1986-1987 school year, by 4.9 percent to determine the district's aid entitlement per FTE for the 1987-1988 school year, and by 4.1 percent to determine the district's aid entitlement per FTE regular transportation allowance for the 1988-1989 school year.

Sec. 19. Minnesota Statutes 1988, section 124.225, is amended by adding a subdivision to read:

Subd. 7c. [TRANSPORTATION REVENUE.] A district's transportation revenue for each school year equals the sum of its regular transportation revenue under subdivision 8b and its actual cost in the current year for nonregular transportation as defined in subdivision 1, paragraph (e), clause (2).

Sec. 20. Minnesota Statutes 1988, section 124.225, subdivision 8a, is amended to read:

Subd. 8a. [TRANSPORTATION AID.] (a) For the 1988-1989 and 1989-1990 school year and thereafter years, a district's transportation aid is equal to the sum of its basic regular transportation aid revenue under subdivision 8b, its nonregular transportation aid under subdivision 8i, and its nonregular transportation levy equalization aid under subdivision 8j, minus its contracted services aid reduction under subdivision 8k and minus its basic transportation levy limitation for the levy attributable to that school year under section 275.125, subdivision 5.

(b) For the 1990-1991 school year and after, a district's transportation aid equals the product of:

(1) the difference between the transportation revenue and the sum of:

(i) the basic transportation levy for that school year under section 275.125, subdivision 5, plus

(ii) the nonregular transportation levy for that school year under section 275.125, subdivision 5c, plus

(iii) the contracted services aid reduction under subdivision 8k, times

(2) the ratio of the sum of the actual amounts levied under section 275.125, subdivisions 5 and 5c, to the sum of the permitted levies under those subdivisions.

(c) If the total appropriation for transportation aid for any fiscal year is insufficient to pay all districts the full amount of aid earned, the department of education shall reduce each district's aid in proportion to the number of resident pupils in average daily membership in the district to the state total average daily membership, and shall reduce the transportation levy of off-formula districts in the same proportion.

Sec. 21. Minnesota Statutes 1988, section 124.225, subdivision 8b, is amended to read:

Subd. 8b. [BASIC AID COMPUTATION REGULAR TRANS-

PORTATION REVENUE.] A district's basic transportation aid regular transportation revenue pursuant to this section for each school year shall equal the district's aid entitlement per FTE regular transportation allowance determined according to subdivision 7b, times the total number of authorized FTE's transported in the regular category in the district in the current school year.

Sec. 22. Minnesota Statutes 1988, section 124.225, subdivision 8i, is amended to read:

Subd. 8i. [NONREGULAR TRANSPORTATION AID.] (a) A district's nonregular transportation aid shall be determined according to this subdivision.

(b) For the 1986-1987 and 1987-1988 school years, nonregular transportation aid shall equal (1) 20 percent of the first \$10 of actual cost in the current year for nonregular transportation services per total pupil unit, plus 40 percent of the next \$10 of actual cost in the current year for nonregular transportation services per total pupil unit, plus 60 percent of the actual cost in the current year for nonregular transportation services per total pupil unit which exceeds \$20, times (2) the number of total pupil units in the district in the current year.

(c) For the 1988-1989 school year and thereafter, nonregular transportation aid equals (1) 60 percent of the actual cost in the current year for nonregular transportation services per total pupil unit which exceeds \$30, times (2) the number of total pupil units in the district in the current year.

Sec. 23. Minnesota Statutes 1988, section 124.225, subdivision 8j, is amended to read:

Subd. 8j. [NONREGULAR TRANSPORTATION LEVY EQUALIZATION AID.] For the 1984-1985 school year and each year thereafter, A district's nonregular transportation levy equalization aid shall be determined pursuant to this subdivision.

(a) Unreimbursed nonregular transportation revenue shall equal the actual cost in the current year for nonregular transportation services, minus the district's nonregular transportation aid computed pursuant to subdivision 8i.

(b) The nonregular transportation levy is the levy authorized by section 275.125, subdivision 5c.

(c) Nonregular transportation levy equalization aid for a district shall equal the product of (1) its unreimbursed nonregular transportation revenue, minus the nonregular transportation levy limitation

for that year, times (2) the ratio of the district's actual nonregular transportation levy to its nonregular transportation levy limitation.

Sec. 24. Minnesota Statutes 1988, section 124.225, subdivision 8k, is amended to read:

Subd. 8k. [CONTRACTED SERVICES AID REDUCTION.] ~~For the 1984-1985 school year and Each year thereafter, each a~~ district's transportation aid shall be reduced according to the provisions of this subdivision, if the district contracted for some or all of the transportation services provided in the regular category. The department of education shall compute this subtraction by conducting the multiple regression analysis specified in subdivision 3 and computing the district's aid under two circumstances, once including the coefficient of the factor specified in subdivision 4b, clause (3), and once excluding the coefficient of that factor. The aid subtraction shall equal the difference between the district's aid computed under these two circumstances.

Sec. 25. Minnesota Statutes 1988, section 124.225, subdivision 8l, is amended to read:

Subd. 8l. [ALTERNATIVE ATTENDANCE PROGRAMS.] A district that serves enrolls nonresident pupils in programs under sections 120.062, 120.075, 120.0751, 120.0752, 123.3515, 126.22, and 129B.52 to 129B.55 shall provide authorized transportation to the pupil within the attendance area for the school that the pupil attends. The state shall pay transportation aid attributable to the pupil to the serving nonresident district according to this section. The resident district of the pupil's residence need not provide or pay for transportation between the pupil's residence and the district's border.

Sec. 26. Minnesota Statutes 1988, section 124.225, subdivision 10, is amended to read:

Subd. 10. [DEPRECIATION.] Any school district which that owns school buses or mobile units shall transfer annually from the undesignated fund balance account in its transportation fund to the reserved fund balance account for bus purchases in its transportation fund at least an amount equal to 12½ percent of the original cost of each type one or type two bus or mobile unit until the original cost of each type one or type two bus or mobile unit is fully amortized, plus 20 percent of the original cost of each type three bus included in the district's authorized cost under the provisions of subdivision 1, ~~clause paragraph~~ (b), clause (4), until the original cost of each type three bus is fully amortized, plus 33⅓ percent of the cost to the district as of July 1 of each year for school bus reconditioning done by the department of corrections until the cost of the reconditioning is fully amortized; provided, if the district's transportation aid or levy is reduced pursuant to subdivision 8a because the

appropriation for that year is insufficient, this amount shall be reduced in proportion to the reduction pursuant to subdivision 8a as a percentage of the sum of

(1) the district's total transportation aid without the reduction pursuant to subdivision 8a, plus

(2) the district's basic transportation levy limitation under section 275.125, subdivision 5, plus

(3) the district's contract services aid reduction under subdivision 8k, plus

(4) the district's nonregular transportation levy limitation under section 275.125, subdivision 5e district's transportation revenue under subdivision 7c.

Sec. 27. Minnesota Statutes 1988, section 124.2445, is amended to read:

#### 124.2445 [PURCHASE OF CERTAIN EQUIPMENT.]

The board of a school district may issue certificates of indebtedness or capital notes subject to the school district debt limits to purchase vehicles other than school buses, computers, telephone systems, cable equipment, photocopy and office equipment, technological equipment for instruction, and other capital equipment having an expected useful life at least as long as the terms of the certificates or notes. The certificates or notes must be payable in not more than five years and must be issued on the terms and in the manner determined by the board. The certificates may be issued by resolution and without the requirement for an election. A tax levy must be made for the payment of the principal and interest on the certificates or notes, in accordance with section 475.61, as in the case of bonds. That tax levy for each year must not exceed the amount of the district's capital expenditure equipment levy under section 124.244 for the year the initial debt service levies are certified. The district's capital expenditure levy under section 124.244 for each year must be reduced by the amount of the tax levies for debt service certified for each year for payment of the principal and interest on the certificates or notes as required by section 475.61.

Sec. 28. Minnesota Statutes 1988, section 124.245, subdivision 6, is amended to read:

Subd. 6. [ALTERNATIVE ATTENDANCE PROGRAMS.] The capital expenditure facilities aid under section 124.243 and the capital expenditure equipment aid under section 124.244 for districts must be adjusted for each pupil, excluding a handicapped pupil as defined

in section 120.03, attending a nonresident district under sections 120.062, 120.075, 120.0751, 120.0752, 123.3515, 126.22, and 129B.52 to 129B.55. The adjustments must be made according to this subdivision.

(a) ~~capital expenditure~~ Aid paid to a district of the pupil's residence must be reduced by an amount equal to the revenue amount per actual pupil unit of the resident district times the number of pupil units of pupils enrolled in nonresident districts.

(b) ~~capital expenditure~~ Aid paid to a district serving nonresidents in programs listed in subdivision 1 must be increased by an amount equal to the revenue amount per actual pupil unit of the nonresident district times the number of pupil units of nonresident pupils enrolled in the district.

(c) If the amount of the reduction to be made from the ~~capital expenditure~~ aid of a district is greater than the amount of ~~capital expenditure~~ aid otherwise due the district, the excess reduction must be made from other state aids due the district.

Sec. 29. Minnesota Statutes 1988, section 124.575, subdivision 1, is amended to read:

Subdivision 1. [ELIGIBILITY.] A secondary vocational cooperative established under section 123.351 is eligible for secondary vocational cooperative revenue if it meets the size requirements specified in section ~~122.96~~ 122.91, subdivision 3, and the cooperative offers programs authorized under section 123.351, subdivision 4, paragraph (b), clause (1), and clause (2) or (3). The pupil units of a district that is a member of intermediate school district No. 287, 916, or 917 may not be used to obtain revenue under this section. The pupil units of a district may not be used to obtain revenue under this section and section 124.2721.

Sec. 30. Minnesota Statutes 1988, section 124A.24, is amended to read:

#### 124A.24 [GENERAL EDUCATION LEVY EQUITY.]

If a district's general education levy is determined according to section 124A.23, subdivision 3, an amount must be deducted from state aid authorized in this chapter and chapter 124, receivable for the same school year, and from other state payments receivable for the same school year authorized in sections ~~273.115; 273.116; 273.123, subdivision 6; 273.13, subdivision 15a; and Laws 1983, chapter 342, article 8, section 8~~ chapter 273. The aid in section 124.646 must not be reduced.

The amount of the deduction equals the difference between:

(1) the general education tax capacity rate, according to section 124A.23, times the district's adjusted gross tax capacity used to determine the general education aid for the same school year; and

(2) the district's general education revenue, excluding supplemental revenue, for the same school year, according to section 124A.22.

However, for fiscal year 1989, the amount of the deduction shall be one-fourth of the difference between clauses (1) and (2); for fiscal year 1990, the amount of the deduction shall be one-third of the difference between clauses (1) and (2); for fiscal year 1991, the amount of the deduction shall be one-half of the difference between clauses (1) and (2); for fiscal year 1992, the amount of the deduction shall be four-sixths of the difference between clauses (1) and (2); and for fiscal year 1993, the amount of the deduction shall be five-sixths of the difference between clauses (1) and (2).

Sec. 31, Minnesota Statutes 1988, section 126.22, subdivision 2, is amended to read:

Subd. 2. [ELIGIBLE PUPILS.] The following pupils are eligible to participate in the high school graduation incentives program:

(a) any pupil who is between the ages of 12 and 16 and who:

(1) is at least two grade levels below the performance level for pupils of the same age in a locally determined achievement test; or

(2) is at least one year behind in obtaining credits for graduation; or

(3) is pregnant or is a parent; or

(4) has been assessed as chemically dependent; or

(5) has been absent from attendance at school without lawful excuse for more than 15 consecutive school days in the preceding or current school year;

(b) any pupil who is between the ages of 16 and 19 who is attending school, and who is at least two grade levels below the performance level for pupils of the same age in a locally determined achievement test, or is at least one year behind in obtaining credits for graduation, or is pregnant or is a parent, or has been assessed as chemically dependent; or

(c) any person between 16 and 21 years of age who has not attended a high school program for at least 15 consecutive school days, excluding those days when school is not in session, and who is at least two grade levels below the performance level for pupils of the

same age in a locally determined achievement test, or is at least one year behind in obtaining credits for graduation, or has been assessed as chemically dependent; or

(d) any person who is at least 21 years of age and who:

(1) has received less than 14 years of public or nonpublic education, beginning at age 5;

(2) has already completed the studies ordinarily required in the 10th grade but has not completed the requirements for a high school diploma or the equivalent; and

(3) at the time of application, (i) is eligible for unemployment compensation benefits or has exhausted the benefits, (ii) is eligible for or is receiving income maintenance and support services, as defined in section 268.0111, subdivision 5, or (iii) is eligible for services under the displaced homemaker program, state wage-subsidy program, or any programs under the federal Jobs Training Partnership Act or its successor.

Notwithstanding section 127.27, subdivision 7, the provisions of section 127.29, subdivision 1, do not apply to ~~pupils~~ a pupil under age 17 and older 21 who participate ~~participates~~ in the high school graduation incentives program.

Sec. 32. Minnesota Statutes 1988, section 126.22, subdivision 3, is amended to read:

Subd. 3. [ELIGIBLE PROGRAMS.] (a) A pupil who is eligible according to subdivision 2, clause (a), (b), (c), or (d) may enroll in any program approved by the state board of education under Minnesota Rules, part 3500.3500, including area learning centers under sections 129B.52 to 129B.55, or according to section 121.11, subdivision 12.

(b) A pupil who is eligible according to subdivision 2, clause (b), (c), or (d), may enroll in ~~secondary school courses upon a resolution passed by a school board approving enrollment, or may enroll in~~ post-secondary courses under section 123.3514.

(c) A pupil who is eligible under subdivision 2, clause (a), (b), (c), or (d), may enroll in any public secondary education program. However, a person who is eligible according to subdivision 2, clause (d), may enroll only if the school board has adopted a resolution approving the enrollment.

An eligible institution providing eligible programs as defined in this subdivision may contract with an entity providing adult basic

education programs under the community education program contained in section 121.88 for actual program costs.

Sec. 33. Minnesota Statutes 1988, section 275.125, subdivision 5b, is amended to read:

Subd. 5b. [TRANSPORTATION LEVY OFF-FORMULA ADJUSTMENT.] In any fiscal year, if the basic transportation levy under subdivision 5 in a district attributable to a particular that fiscal year exceeds the transportation aid computation under section 124.225, subdivisions 8b, 8i, 8j, and 8k the difference between (1) the district's transportation revenue under section 124.225, subdivision 7c, and (2) the sum of the district's permitted nonregular levy under subdivision 5c, the contracted services aid reduction under section 124.225, subdivision 8k, and the amount of any reduction due to insufficient appropriation under section 124.225, subdivision 8a, the district's levy limitation shall be adjusted as provided in this subdivision. In the year following each fiscal year, the district's transportation levy shall be reduced by an amount equal to the difference between (1) the amount of the basic transportation levy under subdivision 5, and (2) the sum of the district's transportation aid computation pursuant to section 124.225, subdivisions 8b, 8i, 8j, and 8k, and the amount of any subtraction made from special state aids pursuant to section 124.2138, subdivision 2, less the amount of any aid reduction due to an insufficient appropriation as provided in section 124.225, subdivision 8a transportation levy in the next fiscal year shall be reduced by the amount of this excess.

Sec. 34. Minnesota Statutes 1988, section 275.125, subdivision 5c, is amended to read:

Subd. 5c. [NONREGULAR TRANSPORTATION LEVY.] A school district may also make a levy for unreimbursed nonregular transportation costs pursuant to this subdivision. The amount of the levy shall not exceed the product of be the result of the following computation:

(a) the district's unreimbursed nonregular transportation revenue determined pursuant to section 124.225, subdivision 8j, clause (a), times

(b) the lesser of

(i) one, or

(ii) the ratio of the district's adjusted gross tax capacity for the preceding year per total pupil unit in the school year to which the levy is attributable, to \$63,800.

(a) Multiply the number of total pupil units in the district in the

current year by 60 percent of the actual cost in the current year for nonregular transportation services per total pupil unit which exceeds \$30.

(b) Subtract the result in paragraph (a) from the district's total actual cost in the current year for nonregular transportation services.

(c) Multiply the result in paragraph (b) by the lesser of one or the ratio of (1) the quotient derived by dividing the adjusted gross tax capacity of the district for the year preceding the year the levy is certified by the total pupil units in the district for the school year to which the levy is attributable, to (2) \$10,261.

Sec. 35. Minnesota Statutes 1988, section 275.125, subdivision 5e, is amended to read:

Subd. 5e. [EXCESS TRANSPORTATION LEVY.] A school district may make a levy for excess transportation costs according to this subdivision. The amount of the levy shall be the result of the following computation:

(a) Multiply the base cost computed using data for the current school year according to section 124.225, subdivision 1, paragraph (i), by the sum of the number of secondary FTE pupils transported to and from school in the current year who live more than one mile but less than two miles from the public school which they could attend or the nonpublic school actually attended, plus the number of FTE pupils residing less than one mile from school who were transported to and from school in the current year due to extraordinary traffic hazards number of FTE pupils transported in the excess category in the district in the current school year.

(b) Add to the result in paragraph (a) the actual cost in the current year of other related services that are necessary because of extraordinary traffic hazards.

Sec. 36. Minnesota Statutes 1988, section 275.125, subdivision 9, is amended to read:

Subd. 9. [LEVY REDUCTIONS; TACONITE.] (1) Reductions in levies pursuant to subdivision 10, and section 273.138, shall be made prior to the reductions in clause (2).

(2) Notwithstanding any other law to the contrary, districts which received payments pursuant to sections 298.018; 298.23 to 298.28, except an amount distributed under section 298.28, subdivision 4, paragraph (c), clause (ii); 298.34 to 298.39; 298.391 to 298.396; 298.405; and any law imposing a tax upon severed mineral values, or recognized revenue pursuant to section 477A.15; shall not include a

portion of these aids in their permissible levies pursuant to those sections, but instead shall reduce the permissible levies authorized by this section and chapters 124 and 124A by the greater of the following:

(a) an amount equal to 50 percent of the total dollar amount of the payments received pursuant to those sections or revenue recognized pursuant to section 477A.15 in the previous fiscal year; or

(b) an amount equal to the total dollar amount of the payments received pursuant to those sections or revenue recognized pursuant to section 477A.15 in the previous fiscal year less the product of the same dollar amount of payments or revenue times the ratio of the maximum levy allowed the district under Minnesota Statutes 1986, sections 124A.03, subdivision 2, 124A.06, subdivision 3a, 124A.08, subdivision 3a, 124A.10, subdivision 3a, 124A.12, subdivision 3a, and 124A.14, subdivision 5a, to the total levy allowed the district under this section and Minnesota Statutes 1986, sections 124A.03, 124A.06, subdivision 3a, 124A.08, subdivision 3a, 124A.10, subdivision 3a, 124A.12, subdivision 3a, 124A.14, subdivision 5a, and 124A.20, subdivision 2, for levies certified in 1986.

(3) No reduction pursuant to this subdivision shall reduce the levy made by the district pursuant to section 124A.23, to an amount less than the amount raised by a levy of 12.5 mills times the adjusted gross tax capacity of that district for the preceding year as determined by the commissioner. The amount of any increased levy authorized by referendum pursuant to section 124A.03, subdivision 2, shall not be reduced pursuant to this subdivision. The amount of any levy authorized by subdivision 4, to make payments for bonds issued and for interest thereon, shall not be reduced pursuant to this subdivision.

(4) Before computing the reduction pursuant to this subdivision of the capital expenditure facilities levy authorized by section ~~124.244~~, subdivision 2, and subdivisions ~~11c, 12, and 12a~~ 124.243, the capital expenditure equipment levy authorized by section ~~124.244~~, the health and safety levy authorized by section ~~124.83~~, and subdivision ~~12a~~, and the community education levy authorized by subdivisions 8 and 8b, the commissioner shall ascertain from each affected school district the amount it proposes to levy for capital expenditures pursuant to section ~~124.244~~, subdivision 2, and subdivisions ~~11c, 12, and 12a~~, and for community education pursuant to subdivisions 8 and 8b under each section or subdivision. The reduction of the ~~capital expenditure levy and the community education levy~~ shall be computed on the basis of the amount so ascertained.

(5) Notwithstanding any law to the contrary, any amounts received by districts in any fiscal year pursuant to sections 298.018; 298.23 to 298.28; 298.34 to 298.39; 298.391 to 298.396; 298.405; or any law imposing a tax on severed mineral values; and not deducted

from general education aid pursuant to section 124A.035, subdivision 5, clause (2), and not applied to reduce levies pursuant to this subdivision shall be paid by the district to the St. Louis county auditor in the following amount by March 15 of each year, the amount required to be subtracted from the previous fiscal year's general education aid pursuant to section 124A.035, subdivision 5, which is in excess of the general education aid earned for that fiscal year. The county auditor shall deposit any amounts received pursuant to this clause in the St. Louis county treasury for purposes of paying the taconite homestead credit as provided in section 273.135.

Sec. 37. Minnesota Statutes 1988, section 275.125, subdivision 11d, is amended to read:

Subd. 11d. [EXTRA CAPITAL EXPENDITURE LEVY FOR LEASING BUILDINGS.] When a district finds it economically advantageous to rent or lease a building for a secondary vocational cooperative program and it determines that the capital expenditure facilities revenues authorized under section 124.243 are insufficient for this purpose, it may apply to the commissioner for permission to make an additional capital expenditure levy for this purpose. An application for permission to levy under this subdivision must contain financial justification for the proposed levy, the terms and conditions of the proposed lease, and a description of the space to be leased and its proposed use. The criteria for approval of applications to levy under this subdivision must include: the reasonableness of the price, the appropriateness of the space to the proposed activity, the feasibility of transporting pupils to the leased building, conformity of the lease to the laws and rules of the state of Minnesota, and the appropriateness of the proposed lease to the space needs and the financial condition of the district. The commissioner must not authorize a levy under this subdivision in an amount greater than the cost to the district of renting or leasing a building for approved purposes. The proceeds of this levy must not be used for leasing or renting a facility owned by a the district making the levy or for custodial or other maintenance services.

Sec. 38. Laws 1987, chapter 398, article 6, section 19, subdivision 9, is amended to read:

Subd. 9. [MAXIMUM EFFORT SCHOOL LOAN FUND.] For the maximum effort school loan fund there is appropriated:

\$1,615,200 . . . . . 1988,

\$2,025,100 . . . . . 1989.

These appropriations shall be placed in the loan repayment account of the maximum effort school loan fund for the payment of the principal and interest on school loan bonds, as provided in Minnesota Statutes, section 124.46, to the extent that money in the

fund is not sufficient to pay when due the full amount of principal and interest due on school loan bonds. The purpose of these appropriations is to ensure that sufficient money is available in the fund to prevent a statewide property tax levy as would otherwise be required pursuant to Minnesota Statutes, section 124.46, subdivision 3. Notwithstanding the provisions of Minnesota Statutes, section 124.39, subdivision 5, any amount of the appropriation made in this section which is not needed to pay when due the principal and interest due on school loan bonds shall not be transferred to the debt service loan account of the maximum effort school loan fund but instead shall cancel and revert to the general fund.

Any unexpended balance in fiscal year 1988 does not cancel but is available for fiscal year 1989.

Sec. 39. [INSTRUCTION TO REVISOR.]

In subsequent editions of Minnesota Statutes, the revisor of statutes is requested to change the heading of section 124.245, from "HAZARDOUS SUBSTANCE REVENUE" to "ADJUSTMENTS TO CAPITAL EXPENDITURE AIDS."

Sec. 40. [EFFECTIVE DATE.]

Sections 1, 6, 7, 8, 10, 11, 12, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 29, 30, 31, 32, 33, 34, 35, 37, and 38 are effective the day following final enactment. Sections 2, 3, 4, 5, 9, 13, 14, 28, 36, and 39 are effective for the 1989-1990 school year and thereafter."

Delete the title and insert:

"A bill for an act relating to education; correcting, clarifying, and changing certain education statutes; amending Minnesota Statutes 1988, sections 120.062, subdivisions 1 and 12; 120.075, subdivision 5; 120.0751, subdivision 6; 120.0752, subdivision 4; 121.88, subdivision 10; 121.904, subdivision 4a; 121.912, subdivision 1; 123.3515, subdivision 9; 123.36, subdivision 13; 123.705, subdivision 1; 124.155, subdivision 2; 124.214, subdivisions 2 and 3; 124.225, subdivisions 1, 4b, 7a, 7b, 8a, 8b, 8i, 8j, 8k, 8l, 10, and by adding a subdivision; 124.2445; 124.245, subdivision 6; 124.575, subdivision 1; 124A.24; 126.22, subdivisions 2 and 3; and 275.125, subdivisions 5b, 5c, 5e, 9, and 11d; Laws 1987, chapter 398, article 6, section 19, subdivision 9."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 154, A bill for an act relating to crimes; removing the limitation period for charging sexual criminal conduct offenses if the victim is a child; amending Minnesota Statutes 1988, section 628.26.

Reported the same back with the following amendments:

Page 1, line 19, reinstate the stricken language and delete the new language

Page 1, line 20, strike "commission of the offense" and insert "victim attains 18 years of age or the victim reports the offense to law enforcement authorities, whichever occurs first"

Page 2, after line 16, insert:

"Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective August 1, 1989, and applies to crimes committed on or after that date, and to crimes committed before that date if the limitations period for the crime did not expire before August 1, 1989.

Amend the title as follows:

Page 1, line 2, delete "removing" and insert "extending"

With the recommendation that when so amended the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 247, A bill for an act relating to education; clarifying the referendum levy language; creating a conversion method; amending Minnesota Statutes 1988, section 124A.03.

Reported the same back with the following amendments:

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 1988, section 124.82, subdivision 3, is amended to read:

Subd. 3. [FACILITIES DOWN PAYMENT LEVY REFERENDUM.] A district may levy the tax capacity rate approved by a majority of the electors voting on the question to provide funds for a down payment for an approved project. The election must take place no more than five years before the estimated date of commencement of the project. The referendum must be held on a date set by the school board. A referendum for a project not receiving a positive review and comment by the commissioner under section 121.15 must be approved by at least 60 percent of the voters at the election. The referendum may be called by the school board and may be held:

(1) separately, before an election for the issuance of obligations for the project under chapter 475; or

(2) in conjunction with an election for the issuance of obligations for the project under chapter 475; or

(3) notwithstanding section 475.59, as a conjunctive question authorizing both the down payment levy and the issuance of obligations for the project under chapter 475. Any obligations authorized for a project may be issued within five years of the date of the election.

The ballot must provide a general description of the proposed project, state the estimated total cost of the project, state whether the project has received a positive or negative review and comment from the commissioner of education, state the maximum amount of the down payment levy in mills as a percentage of net tax capacity, state the amount that will be raised by that tax capacity rate in the first year it is to be levied, and state the maximum number of years that the levy authorization will apply.

The ballot must contain a textual portion with the information required in this section and a question stating substantially the following:

“Shall the down payment levy proposed by the board of . . . . . School District No. . . . . be approved?”

If approved, the amount provided by the approved tax capacity rate applied to each year's gross the net tax capacity for the year preceding the year the levy is certified may be certified for the number of years approved.

In the event a conjunctive question proposes to authorize both the down payment levy and the issuance of obligations for the project, appropriate language authorizing the issuance of obligations must also be included in the question. Levy amounts approved prior to the date of this act are validated.

The district must notify the commissioner of education of the results of the referendum.”

Page 3, line 19, delete “1 and 2” and insert “2 and 3”

Page 3, line 23, delete “3” and insert “4”

Renumber the sections in sequence

Correct internal cross-references

Amend the title as follows:

Page 1, line 4, delete “section” and insert “sections 124.82, subdivision 3; and”

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 363, A resolution memorializing the President and Congress of the United States to prevent the imposition of any additional federal excise tax on motor fuel in order to reduce the federal deficit.

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

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 141, 154, 247 and 363 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Quinn introduced:

H. F. No. 465, A bill for an act relating to health; prohibiting glue

sniffing by all persons; amending Minnesota Statutes 1988, section 145.39.

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

Vellenga, Nelson, K.; Wynia; Otis and Jaroš introduced:

H. F. No. 466, A bill for an act relating to education; providing competitive project grants to school districts located in cities of the first class; appropriating money.

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

Kelso introduced:

H. F. No. 467, A bill for an act relating to occupations and professions; providing an exemption from the continuing education requirement for real estate brokers and salespersons; amending Minnesota Statutes 1988, section 82.22, subdivision 13.

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

Gutknecht and Bishop introduced:

H. F. No. 468, A bill for an act relating to education; authorizing school transportation to and from an additional kind of day care provider; amending Minnesota Statutes 1988, section 124.223.

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

Clark, Pappas, Ogren and Greenfield introduced:

H. F. No. 469, A bill for an act relating to human services; creating a subsidy program for community clinics; providing planning grants; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256.

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

Clark, Greenfield, Dawkins and Pappas introduced:

H. F. No. 470, A bill for an act relating to human services; setting a minimum level for the amount of assistance under the aid to families with dependent children program; amending Minnesota Statutes 1988, section 256.74, subdivision 1.

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

Sviggum, Frederick and Waltman introduced:

H. F. No. 471, A bill for an act relating to ethics in government; prohibiting transfers between principal campaign committees; limiting the conduct of certain fundraising events; limiting candidates to only one campaign committee; amending Minnesota Statutes 1988, sections 10A.11, by adding a subdivision; and 10A.19, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 10A.

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

Kalis, Kelso, Dauner, Dempsey and Schreiber introduced:

H. F. No. 472, A bill for an act relating to transportation; motor carriers; increasing maximum length of certain semitrailers; amending Minnesota Statutes 1988, section 169.81, subdivision 2.

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

Johnson, A.; Jacobs; Weaver; Rest and McEachern introduced:

H. F. No. 473, A bill for an act relating to education; providing local school districts, education districts, and educational cooperative service units with competitive grants to modify curriculum-based services for gifted and talented students; appropriating money.

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

Clark; Nelson, K.; Simoneau; Otis and Vellenga introduced:

H. F. No. 474, A bill for an act relating to education; creating a

child care early education grant program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 129B.

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

Schafer introduced:

H. F. No. 475, A bill for an act relating to taxation; requiring schools to impose an income tax in lieu of a property tax levy for certain purposes; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 477A.

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

Schafer introduced:

H. F. No. 476, A bill for an act relating to education; delaying the start of the pilot interdisciplinary academic and arts program at the school and resource center for the arts; amending Minnesota Statutes 1988, section 129C.10, subdivision 3.

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

Lieder, Tunheim, Hasskamp, Ostrom and Schafer introduced:

H. F. No. 477, A bill for an act relating to education; authorizing certain cooperating districts to qualify for sparsity aid; amending Minnesota Statutes 1988, section 124A.22, subdivision 5.

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

Olson, K.; Schafer; Hasskamp; Ostrom and Hugoson introduced:

H. F. No. 478, A bill for an act relating to education; establishing requirements for membership on an education district board; amending Minnesota Statutes 1988, section 122.92.

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

Munger; Johnson, V.; Redalen; Anderson, G., and McGuire introduced:

H. F. No. 479, A bill for an act proposing an amendment to the Minnesota Constitution, article XI, section 14; dedicating certain lottery revenue to the environment and natural resources trust fund; repealing Minnesota Statutes 1988, section 116P.04, subdivisions 2 and 3.

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

Dempsey and Vellenga introduced:

H. F. No. 480, A bill for an act relating to real property; abolishing certain residual marital interests in real property; providing for 40-year limitation on action based on an option to repurchase or other restrictions on a surface estate; providing for certain certifications; amending Minnesota Statutes 1988, sections 541.023, subdivision 6; and 548.181; proposing coding for new law in Minnesota Statutes, chapter 519.

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

Peterson, Hasskamp, Lasley and Carlson, D., introduced:

H. F. No. 481, A bill for an act relating to the city of Mora; authorizing the city to negotiate certain contracts.

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

Wagenius, Otis, Vellenga, Carruthers and Dempsey introduced:

H. F. No. 482, A bill for an act relating to crimes; trespass; recodifying the law on dangerous trespasses and misdemeanor trespasses; prescribing penalties; amending Minnesota Statutes 1988, sections 609.50; 609.55, subdivision 2, and by adding subdivisions; 609.576; 609.605; 609.85; 609.855, subdivisions 1 and 3; and 624.731, subdivision 7; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes 1988, section 609.60.

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

Wagenius, Carruthers, Kelly, Greenfield and Dempsey introduced:

H. F. No. 483, A bill for an act relating to crime; including controlled substance offenses in the evidentiary provision of the disorderly house crime; amending Minnesota Statutes 1988, section 609.33, subdivision 4.

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

Johnson, A.; Simoneau; Weaver; Nelson, K., and Janezich introduced:

H. F. No. 484, A bill for an act relating to regional railroad authorities; permitting authorities to enter certain agreements; amending Minnesota Statutes 1988, section 398A.04, subdivision 9.

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

Murphy, Otis, Himle, Vanasek and Munger introduced:

H. F. No. 485, A bill for an act relating to resource development; establishing a legislative commission on minerals; appropriating money.

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

Cooper; Nelson, C.; Dille; Wenzel and Brown introduced:

H. F. No. 486, A bill for an act relating to agriculture; extending the farmer-lender mediation act and related provisions; amending Minnesota Statutes 1988, sections 47.20, subdivision 15; and 580.031; Laws 1983, chapter 215, section 16, as amended; and Laws 1986, chapter 398, article 1, section 18, as amended.

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

Uphus introduced:

H. F. No. 487, A bill for an act relating to health; creating exceptions to the nursing home moratorium; amending Minnesota Statutes 1988, section 144A.071, subdivision 3.

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

Tjornhom, Stanius and Macklin introduced:

H. F. No. 488, A bill for an act relating to taxation; property; extending the homestead and agricultural credit to taxes payable after 1989; abolishing transition aid, disparity aid, and other aids and credits; repealing increases in income maintenance payments; amending Minnesota Statutes 1988, sections 124.155, subdivision 2; 124.2131, subdivision 3; 124.2139; 124A.02, subdivision 3a; 256.01, subdivision 2; 256.72; 256.81; 256.82, subdivision 1; 256.863; 256.871, subdivision 6; 256.935, subdivision 1; 256.991; 256B.041, subdivisions 5 and 7; 256B.05, subdivision 1; 256B.091, subdivision 8; 256B.15; 256B.19, subdivisions 1 and 2; 256D.03, subdivisions 2 and 6; 256D.04; 256D.36, subdivision 1; 256G.01, subdivision 3; 256G.02, subdivision 4; 256G.04, subdivision 1; 256G.05; 256G.07; 256G.10; 256G.11; 273.123, subdivisions 4 and 5; 273.124, subdivisions 11 and 13; 273.13, subdivisions 22 and 23; 273.132, subdivisions 1, 2, and 5; 273.135, subdivision 2; 273.1391, subdivision 2; 273.1392; 273.165, subdivision 2; 275.065, subdivision 2; 275.07, subdivision 1; 275.08, subdivisions 1a and 1b; 275.50, subdivision 5; 275.51, subdivisions 3f and 3h; 276.04, subdivision 2; 290A.04, subdivision 2; 393.07, subdivisions 2 and 10; 473.446, subdivision 1; 473F.02, subdivision 23; 473F.05; 473F.06; 473F.07, subdivisions 1, 4, and 5; 473F.08, subdivisions 1, 2, 3a, 4, 5, 6, and 10; 473F.10; 477A.011, subdivisions 15, 20, and 21; and 477A.013, subdivision 3; Laws 1988, chapter 719, article 5, sections 81 and 84; repealing Minnesota Statutes 1988, sections 256.017; 256.018; 256.019; 273.13, subdivision 21a; 273.135, subdivision 2a; 273.1391, subdivision 2a; 273.1398; 275.07, subdivision 3; 275.08, subdivision 1c; 290A.04, subdivision 2b; and Laws 1988, chapter 719, article 8, sections 32, 33, 34, 35, and 36.

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

Dawkins and Simoneau introduced:

H. F. No. 489, A bill for an act relating to public employment; regulating fair share fees, unfair labor practices, arbitration procedures and grievance procedures; amending Minnesota Statutes 1988, sections 179A.03, subdivision 7; 179A.06, subdivision 3; 179A.13, subdivision 1; 179A.14, subdivision 1; 179A.16, subdivisions 1, 2, and 3; 179A.20, subdivision 4; repealing Laws 1984, chapter 654, article 2, section 116.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Uphus, Girard, Hugoson, McPherson and Dille introduced:

H. F. No. 490, A bill for an act relating to well abandonment; authorizing demonstration projects for cost-sharing funds and technical assistance; determining susceptible groundwater recharge areas; appropriating money; amending Minnesota Statutes 1988, section 40.036, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 40.

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

Solberg; Kinkel; Nelson, C.; Johnson, R., and Bennett introduced:

H. F. No. 491, A bill for an act relating to tourism; creating a department of tourism; transferring duties and powers from the department of trade and economic development to the department of tourism; appropriating money; amending Minnesota Statutes 1988, sections 15A.081, subdivision 1; 116J.01, subdivision 3; 116J.60; 301A.01, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 116Q; and repealing Minnesota Statutes 1988, section 116J.615.

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

Wenzel, Steensma, Begich, McEachern and Carlson, D., introduced:

H. F. No. 492, A bill for an act relating to traffic regulations; abolishing fee for renewal or duplicate license plates for handicapped persons; amending Minnesota Statutes 1988, section 169.345, subdivision 3.

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

McEachern, Kelso, Ozment, Bauerly and Beard introduced:

H. F. No. 493, A bill for an act relating to education; requiring a pupil to stay in a school for one year under open enrollment; amending Minnesota Statutes 1988, section 123.3515.

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

Janezich, Begich, Battaglia, Solberg and Rukavina introduced:

H. F. No. 494, A bill for an act relating to taxation; income; repealing the subtraction for elderly and disabled and reinstating the pension exclusion; removing age limitations; amending Minnesota Statutes 1988, sections 290.01, subdivision 19b, and by adding a subdivision; and 290.032, subdivision 2; repealing Minnesota Statutes 1988, sections 290.0802 and 424A.10.

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

Reding, Kalis, Welle, Sparby and Johnson, V., introduced:

H. F. No. 495, A bill for an act relating to taxation; property; eliminating senior accreditation requirements for assessors; amending Minnesota Statutes 1988, sections 270.485; and 273.061, subdivisions 1 and 2; repealing Laws 1988, chapter 719, article 7, section 9.

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

Reding and Redalen introduced:

H. F. No. 496, A bill for an act relating to advertising devices; allowing signs to be erected directing travelers to Lake Louise State Park.

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

Sarna introduced:

H. F. No. 497, A bill for an act relating to commerce; securities; authorizing the issuance of stop orders on certain registration statements; amending Minnesota Statutes 1988, section 80A.13, subdivision 1.

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

McEachern; Olsen, S.; Kelso; Scheid and Battaglia introduced:

H. F. No. 498, A bill for an act relating to education; providing for donations to the permanent school fund; amending Minnesota Statutes 1988, sections 84.085 and 124.08.

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

McEachern, Lieder, Battaglia, Dille and Dempsey introduced:

H. F. No. 499, A bill for an act relating to local government; granting certain water and sewer powers to towns; amending Minnesota Statutes 1988, sections 444.075, subdivision 1; 444.16; 444.17; 444.18; 444.19; and 444.20.

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

Krueger; Cooper; Sparby; Johnson, V., and Murphy introduced:

H. F. No. 500, A bill for an act relating to economic development; revising provisions governing regional development commissions; renaming regional development commissions; authorizing the establishment of area development alliances; appropriating money; amending Minnesota Statutes 1988, sections 462.381; 462.382; 462.383; 462.384, subdivisions 1, 2, 5, 6, 7, and by adding subdivisions; 462.385; 462.386; 462.387; 462.388; 462.389; 462.39; 462.393; 462.394; 462.395; 462.396; 462.397; and 462.398; proposing coding for new law in Minnesota Statutes, chapter 462; repealing Minnesota Statutes 1988, sections 462.384, subdivisions 3 and 4; 462.391; and 462.392.

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

Welle and Cooper introduced:

H. F. No. 501, A bill for an act relating to education; vocational technical; allowing purchase of real property by independent school district No. 347.

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

Swenson introduced:

H. F. No. 502, A bill for an act relating to state lands; authorizing private conveyance of tax-forfeited land bordering public water in Washington county.

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

Swenson introduced:

H. F. No. 503, A bill for an act relating to retirement; excluding members of the Forest Lake volunteer fire department from membership in the public employees retirement association.

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

Welle introduced:

H. F. No. 504, A bill for an act relating to veterans; requiring the housing and care of veterans in the Willmar residential treatment center; proposing coding for new law in Minnesota Statutes, chapters 198 and 253.

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

Brown; Bertram; Cooper; Carlson, D., and Wenzel introduced:

H. F. No. 505, A bill for an act relating to veterans; removing a limitation on veterans in the category of protected groups for the purpose of state employment; amending Minnesota Statutes 1988, section 43A.02, subdivision 33.

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

McLaughlin, Otis, Vellenga, Kalis and Battaglia introduced:

H. F. No. 506, A bill for an act relating to employment; requiring the regional transit board to establish a transit demonstration program for certain workers; amending Minnesota Statutes 1988, section 473.387, by adding a subdivision.

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

Marsh, Gruenes, Bauerly and Bertram introduced:

H. F. No. 507, A bill for an act relating to education; appropriating money to allow St. Cloud State University to provide additional police services for the campus and the southside area around the campus.

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

Morrison, Pauly, Battaglia, Valento and Lieder introduced:

H. F. No. 508, A bill for an act relating to local government; permitting statutory cities to have seven member councils; amending Minnesota Statutes 1988, sections 412.02, subdivision 1, and by adding a subdivision; 412.021, subdivision 2; 412.191, subdivisions 1 and 2; 412.541, subdivision 4; 412.571, subdivisions 1 and 4; 412.581; and 412.631.

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

Ostrom, Otis, Battaglia and Ogren introduced:

H. F. No. 509, A bill for an act relating to the city of St. Peter; providing for a seven-member municipal hospital board and a nine-member economic development authority.

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

O'Connor, Brown, Sarna and McEachern introduced:

H. F. No. 510, A bill for an act relating to commerce; modifying the maximum finance charge on certain open end credit sales; regulating additional charges; amending Minnesota Statutes 1988, section 334.16, subdivision 1, and by adding a subdivision.

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

O'Connor, Milbert, Sarna, McEachern and Bennett introduced:

H. F. No. 511, A bill for an act relating to consumer protection; requiring certain creditors to file credit card disclosure reports with the state treasurer; providing rulemaking authority; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 325G.

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

Bauerly, Lieder, Dorn, Haukoos and Dempsey introduced:

H. F. No. 512, A bill for an act relating to local government; authorizing towns to require a bond or other security in establishing cartways; amending Minnesota Statutes 1988, section 164.08, subdivision 2.

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

Hugoson, Kalis, Henry and Macklin introduced:

H. F. No. 513, A bill for an act relating to the office of the secretary of state; establishing a procedure for contesting the registration of a corporation, limited partnership, or assumed name, or a trade or service mark with the secretary of state; providing that the office of the secretary of state is not liable for registrations; proposing coding for new law in Minnesota Statutes, chapter 5.

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

Kalis and Hugoson introduced:

H. F. No. 514, A bill for an act relating to veterans affairs; increasing the amount of educational assistance for war orphans and veterans; increasing educational assistance for POW/MIA dependents; providing for cost-of-living increases; amending Minnesota Statutes 1988, sections 197.75, subdivision 1; and 197.752.

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

Bishop, Rest, Kelly, Long and Dempsey introduced:

H. F. No. 515, A bill for an act relating to judicial procedure; clarifying and recodifying tax court powers and procedures; making technical corrections and eliminating redundant and unnecessary language and obsolete references; amending Minnesota Statutes 1988, sections 270.07, subdivision 1; 270.10, by adding a subdivision; 271.01, subdivisions 1 and 5; 271.02; 271.04; 271.06, subdivisions 1, 2, 3, and 7; 271.061; 271.07; 271.13; 271.15; 271.17; 271.18; 271.21, subdivisions 2 and 10; 277.011, subdivision 7; 278.01, subdivision 1; 278.02; 278.05, subdivision 4; and 278.08, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 270; repealing Minnesota Statutes 1988, sections 271.01, subdivision 6; 271.21, subdivision 4; and 271.22.

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

Solberg and Kinkel introduced:

H. F. No. 516, A bill for an act relating to metropolitan government; requiring the metropolitan council to prepare water use and supply plans; proposing coding for new law in Minnesota Statutes, chapter 473.

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

Battaglia, Reding, Trimble, Sarna and Carlson, D., introduced:

H. F. No. 517, A bill for an act relating to natural resources; authorizing fees for special hunts; amending Minnesota Statutes 1988, section 97A.401, subdivision 4.

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

Welle, Dille, Brown, Dauner and Redalen introduced:

H. F. No. 518; A bill for an act relating to taxation; income; providing for allocation and apportionment of income derived by certain corporations from material value added to agricultural products by processing, packaging, or other high technology procedures; amending Minnesota Statutes 1988, section 290.17, by adding a subdivision.

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

Omann introduced:

H. F. No. 519, A bill for an act relating to taxation; property; extending the homestead and agricultural credit to taxes payable after 1989; abolishing transition aid; repealing increases in income maintenance payments; amending Minnesota Statutes 1988, sections 124.155, subdivision 2; 124.2131, subdivision 3; 124.2139; 124A.02, subdivision 3a; 256.01, subdivision 2; 256.72; 256.81; 256.82, subdivision 1; 256.863; 256.871, subdivision 6; 256.935, subdivision 1; 256.991; 256B.041, subdivisions 5 and 7; 256B.05, subdivision 1; 256B.091, subdivision 8; 256B.15; 256B.19, subdivisions 1 and 2; 256D.03, subdivisions 2 and 6; 256D.04; 256D.36, subdivision 1; 256G.01, subdivision 3; 256G.02, subdivision 4;

256G.04, subdivision 1; 256G.05; 256G.07; 256G.10; 256G.11; 273.123, subdivisions 4 and 5; 273.124, subdivisions 11 and 13; 273.13, subdivisions 22 and 23; 273.132, subdivisions 1, 2, and 5; 273.135, subdivision 2; 273.1391, subdivision 2; 273.1392; 273.1398, subdivisions 1, 3, and 6; 273.165, subdivision 2; 275.065, subdivision 2; 275.07, subdivision 1; 275.08, subdivisions 1a and 1b; 275.50, subdivision 5; 275.51, subdivisions 3f and 3h; 276.04, subdivision 2; 290A.04, subdivision 2; 393.07, subdivisions 2 and 10; 473.446, subdivision 1; 473F.02, subdivision 23; 473F.05; 473F.06; 473F.07, subdivisions 1, 4, and 5; 473F.08, subdivisions 1, 2, 3a, 4, 5, 6, and 10; 473F.10; 477A.011, subdivisions 15 and 20; and 477A.013, subdivision 3; Laws 1988, chapter 719, article 5, sections 81 and 84; repealing Minnesota Statutes 1988, sections 256.017; 256.018; 256.019; 273.13, subdivision 21a; 273.135, subdivision 2a; 273.1391, subdivision 2a; 273.1398, subdivisions 2 and 5; 275.07, subdivision 3; 275.08, subdivision 1c; 290A.04, subdivision 2b; and Laws 1988, chapter 719, article 8, sections 32, 33, 34, 35, and 36.

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

Simoneau and Begich introduced:

H. F. No. 520, A bill for an act relating to state government; restricting additional types of payroll deductions for state employees; proposing coding for new law in Minnesota Statutes, chapter 16A.

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

Nelson, C.; Cooper and Brown introduced:

H. F. No. 521, A bill for an act relating to agriculture; authorizing a grasshopper control program; providing inspection and control of plant pests in the same manner as noxious weeds; providing for inspection, control, and enforcement of noxious weeds and plant pests; providing penalties; appropriating money; amending Minnesota Statutes 1988, sections 18.022, subdivision 2; 84.0895, subdivision 2; and 160.02, subdivision 14; proposing coding for new law in Minnesota Statutes, chapter 18; repealing Minnesota Statutes 1988, sections 18.171 to 18.315; Revised Laws of Minnesota 1905, sections 2385, 2386, 2387, 2388, 2389, and 2390.

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

Valento, Pellow, Limmer, Henry and Lynch introduced:

H. F. No. 522, A bill for an act relating to taxation; property; extending the homestead and agricultural credit to taxes payable after 1989; abolishing transition aid, disparity aid, and other aids and credits; repealing increases in income maintenance payments; amending Minnesota Statutes 1988, sections 124.155, subdivision 2; 124.2131, subdivision 3; 124.2139; 124A.02, subdivision 3a; 256.01, subdivision 2; 256.72; 256.81; 256.82, subdivision 1; 256.863; 256.871, subdivision 6; 256.935, subdivision 1; 256.991; 256B.041, subdivisions 5 and 7; 256B.05, subdivision 1; 256B.091, subdivision 8; 256B.15; 256B.19, subdivisions 1 and 2; 256D.03, subdivisions 2 and 6; 256D.04; 256D.36, subdivision 1; 256G.01, subdivision 3; 256G.02, subdivision 4; 256G.04, subdivision 1; 256G.05; 256G.07; 256G.10; 256G.11; 273.123, subdivisions 4 and 5; 273.124, subdivisions 1 and 13; 273.13, subdivisions 22 and 23; 273.132, subdivisions 1, 2, and 5; 273.135, subdivision 2; 273.1391, subdivision 2; 273.1392; 273.165, subdivision 2; 275.065, subdivision 2; 275.07, subdivision 1; 275.08, subdivisions 1a and 1b; 275.50, subdivision 5; 275.51, subdivisions 3f and 3h; 276.04, subdivision 2; 290A.04, subdivision 2; 393.07, subdivisions 2 and 10; 473.446, subdivision 1; 473F.02, subdivision 23; 473F.05; 473F.06; 473F.07, subdivisions 1, 4, and 5; 473F.08, subdivisions 1, 2, 3a, 4, 5, 6, and 10; 473F.10; 477A.011, subdivisions 15, 20, and 21; and 477A.013, subdivision 3; Laws 1988, chapter 719, article 5, sections 81 and 84; repealing Minnesota Statutes 1988, sections 256.017; 256.018; 256.019; 273.13, subdivision 21a; 273.135, subdivision 2a; 273.1391, subdivision 2a; 273.1398; 275.07, subdivision 3; 275.08, subdivision 1c; 290A.04, subdivision 2b; and Laws 1988, chapter 719, article 8, sections 32, 33, 34, 35, and 36.

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

Simoneau, Battaglia, Ogren, Schreiber and Morrison introduced:

H. F. No. 523, A bill for an act relating to local government; regulating the development, imposition, and management of state mandates upon local political subdivisions; amending Minnesota Statutes 1988, section 3.981, subdivision 2, 8, and by adding subdivisions; 3.982; 3.983, subdivision 3; 14.11, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 3 and 14; repealing Minnesota Statutes 1988, section 3.981, subdivisions 4, 5, and 9.

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

Dauner, Ogren, Boo and Gruenes introduced:

H. F. No. 524, A bill for an act relating to health; including the use of nitrous oxide as an analgesic in the practice of podiatric medicine; amending Minnesota Statutes 1988, section 153.01, subdivision 2.

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

Scheid introduced:

H. F. No. 525, A bill for an act relating to taxation; sales; exempting the bargain aspect of employer provided meals from taxation; amending Minnesota Statutes 1988, section 297A.01, subdivision 3.

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

Simoneau; Reding; Johnson, R., and Knickerbocker introduced:

H. F. No. 526, A bill for an act relating to retirement; changing benefit provisions in the public employees retirement association police and fire plan; amending Minnesota Statutes 1988, sections 353.30, by adding a subdivision; 353.651, subdivision 3, and by adding a subdivision; 353.656, subdivisions 1 and 3; and 353.657, subdivisions 2 and 3.

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

Skoglund, Munger, Winter, Pugh and Carlson, D., introduced:

H. F. No. 527, A bill for an act relating to state parks; requiring collection facilities for recycling containers at state park entrances; proposing coding for new law in Minnesota Statutes, chapter 85.

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

Jacobs, O'Connor, Dawkins, Solberg and Stanius introduced:

H. F. No. 528, A bill for an act relating to liquor; license eligibility; places and times of sale; sampling; amending Minnesota Statutes 1988, sections 340A.402; 340A.405, subdivision 1; 340A.504, subdivisions 2 and 4; and 340A.510.

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

Battaglia, Ogren, Tunheim, Winter and Anderson, R., introduced:

H. F. No. 529, A bill for an act relating to local government; permitting cities and towns to contribute to certain hospitals; proposing coding for new law in Minnesota Statutes, chapter 465.

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

Pappas, Wynia, Williams, Blatz and Steensma introduced:

H. F. No. 530, A bill for an act relating to health; establishing an insurance information program for seniors to be financed by a surcharge on license fees for insurance agents; appropriating money; amending Minnesota Statutes 1988, section 60A.14, subdivision 1, and by adding a subdivision; and 256.9742, by adding a subdivision.

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

Pugh; Carruthers; Conway; Johnson, V., and Macklin introduced:

H. F. No. 531, A bill for an act relating to traffic regulations; providing for suspension of driver's license of person failing to appear in court following verbal promise to appear; amending Minnesota Statutes, section 169.92.

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

Nelson, K.; Rest; Kinkel; Ozment and Otis introduced:

H. F. No. 532, A bill for an act relating to education; providing schools with competitive grants to reform the learning environment; appropriating money.

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

Milbert introduced:

H. F. No. 533, A bill for an act relating to local government;

allowing city appropriations for historical purposes; amending Minnesota Statutes 1988, section 471.93.

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

Munger, Kalis, Redalen, Price and Bishop introduced:

H. F. No. 534, A bill for an act relating to groundwater; establishing best management practices and water resources protection requirements; regulating pollution limits; changing various requirements and procedures concerning fertilizer, soil amendments, and plant amendments; requiring a study of sustainable agriculture; changing certain pesticide laws; requiring a pesticide management plan; providing for responses to pesticide and fertilizer incidents; establishing a safe drinking water account; imposing an annual fee; reorganizing and revising laws on water wells, exploratory boring, and elevator shafts; establishing a water information committee; providing for local water resources protection and management; establishing water appropriation priorities; establishing a legislative commission on water; appropriating money; amending Minnesota Statutes 1988, sections 17.713; 17.714, subdivision 1, and by adding a subdivision; 17.715, subdivisions 1, 4, and by adding subdivisions; 17.7155; 17.716, subdivisions 1 and 2; 17.717; 17.718; 17.719, subdivisions 1, 2, 3, 4, and by adding subdivisions; 17.721, by adding a subdivision; 17.725, subdivision 2, and by adding subdivisions; 17.728, by adding subdivisions; 17.7285; 17.73, subdivision 3; 18B.01, subdivisions 12, 21, 23, 26, 31, and by adding subdivisions; 18B.04; 18B.07, subdivisions 4, 5, 6, and 7; 18B.08, subdivisions 1 and 4; 18B.15; 18B.17, subdivision 2; 18B.18; 18B.21; 18B.25, by adding a subdivision; 18B.26, subdivisions 1, 3, and by adding a subdivision; 18B.31, subdivisions 3 and 5; 18B.32, subdivision 2; 18B.33, subdivisions 3 and 7; 18B.34, subdivisions 2 and 5; 18B.36; 18B.37, subdivisions 1, 2, and 3; 105.41, subdivision 1a; 105.418; 116C.41, subdivision 1; 116E.03, subdivision 9; 156A.01; 156A.02; 156A.03; 156A.05; 156A.06; 156A.071; 156A.075; and 156A.08; proposing coding for new law as Minnesota Statutes, chapters 110C and 115D; proposing coding for new law in Minnesota Statutes, chapters 3; 17; 18B; 115; 116C; 116E; 144; and 156A; repealing Minnesota Statutes 1988, sections 17.714, subdivisions 4, 4a, and 4b; 17.721; 17.726; 17.727; 17.728, subdivisions 4 and 5; 17.729; 18B.16; 18B.19; 156A.02, subdivision 3; 156A.03, subdivision 1; 156A.04; 156A.07; 156A.10; and 156A.11.

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

O'Connor introduced:

H. F. No. 535, A bill for an act relating to housing; authorizing the establishment of affordable housing programs under the adminis-

tration of the Minnesota housing finance agency; establishing a neighborhood preservation program; revising certain tenant damage provisions in landlord-tenant actions; regulating tenant screening services; establishing housing courts, rent escrow systems, and building repair fines as demonstration projects in Hennepin and Ramsey counties; reducing property taxes on certain types of residential rental property; authorizing a tax levy for public housing; establishing a fair housing education and public information program; requiring housing impact statements; revising certain housing receivership provisions; changing notice and redemption provisions for certain types of properties; imposing penalties; appropriating money; amending Minnesota Statutes 1988, sections 273.13, subdivision 25; 462A.05, subdivision 27, and by adding subdivisions; 462A.201, subdivision 5; 462A.21, subdivisions 4k, 12, and by adding subdivisions; 463.21; 469.012, subdivision 1; 504.255; 504.26; 566.175, subdivision 1; 566.29, subdivisions 1, 4, and by adding subdivisions; 580.031; and 580.23, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 256; 462C; 471; 504; and 566.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Bauerly introduced:

H. F. No. 536, A bill for an act relating to motor vehicles; reducing passenger automobile registration taxes for senior citizens; amending Minnesota Statutes 1988, section 168.013, by adding a subdivision.

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

Orenstein and Wagenius introduced:

H. F. No. 537, A bill for an act relating to taxation; requiring assessors to consider environmental factors when valuing property; amending Minnesota Statutes 1988, section 273.11, subdivision 1.

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

Bauerly and Bertram introduced:

H. F. No. 538, A bill for an act relating to education; requiring CPR instruction in secondary schools; requiring a CPR trained person at school sponsored activities on school grounds; amending

Minnesota Statutes 1988, sections 123.38, by adding a subdivision; and 126.025, subdivision 1.

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

Bauerly; Johnson, R.; McEachern; Wenzel and Bertram introduced:

H. F. No. 539, A bill for an act relating to crimes; increasing incarcerative and monetary penalties imposed upon persons convicted of controlled substance offenses and operating disorderly houses; amending Minnesota Statutes 1988, sections 152.15, subdivisions 1, 2, and 2b; and 609.33, subdivision 3.

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

Clark, Pappas, Vellenga, Greenfield and Munger introduced:

H. F. No. 540, A bill for an act relating to community development; providing for a community resources program for cities of the first class; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 466A.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

O'Connor, McLaughlin, Wynia, Jefferson and Boo introduced:

H. F. No. 541, A bill for an act relating to economic development; establishing a targeted neighborhood revitalization and financing program; appropriating money; amending Minnesota Statutes 1988, sections 282.01, subdivision 1; 462C.02, by adding subdivisions; 462C.05, by adding a subdivision; 463.15, subdivisions 3 and 4; 580.031; and 580.23, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 469; repealing Laws 1987, chapter 384, article 3, section 22; and chapter 386, article 6, sections 4 to 11.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Rest, Kelly, Clark, Marsh and Vellenga introduced:

H. F. No. 542, A bill for an act relating to children; controlled substances; requiring reporting of newborns with signs of controlled

substance exposure; limiting liability of medical personnel administering toxicology tests on newborns; requiring an education program to prevent harm to unborn children from prenatal exposure to controlled substances and alcohol; amending Minnesota Statutes 1988, section 626.556, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 121 and 626.

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

Scheid introduced:

H. F. No. 543, A bill for an act relating to animals; clarifying regulations pertaining to dangerous dogs; prohibiting local ordinances that define specific breeds of dogs as dangerous; amending Minnesota Statutes 1988, sections 347.50, subdivisions 4, 5, and by adding a subdivision; 347.51, subdivision 5, and by adding subdivisions; 347.53; 347.54; and 609.226, subdivision 1.

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

### MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

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

S. F. No. 28.

PATRICK E. FLAHAVER, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 28, A bill for an act relating to probate; providing for adult health care decisions; imposing penalties; proposing coding for new law as Minnesota Statutes, chapter 145B.

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

**GENERAL ORDERS**

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Vanasek in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

**REPORT OF THE COMMITTEE OF THE WHOLE**

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. No. 68 was recommended to pass.

On the motion of Wynia the report of the Committee of the Whole was adopted.

**MOTIONS AND RESOLUTIONS**

Kostohryz moved that the name of Quinn be shown as chief author and the name of Vanasek be shown as fourth author on H. F. No. 66. The motion prevailed.

Pelowski moved that the name of Bishop be added as an author on H. F. No. 165. The motion prevailed.

Clark moved that the name of Nelson, K., be added as an author on H. F. No. 259. The motion prevailed.

Poppenhagen moved that his name be stricken as an author on H. F. No. 283. The motion prevailed.

Simoneau moved that the name of Olsen, S., be added as an author on H. F. No. 334. The motion prevailed.

Simoneau moved that the name of Olsen, S., be added as an author on H. F. No. 335. The motion prevailed.

Simoneau moved that the name of Olsen, S., be added as an author on H. F. No. 336. The motion prevailed.

Kahn moved that the names of Segal, Scheid and Pappas be added as authors on H. F. No. 356. The motion prevailed.

Bertram moved that the name of Sparby be added as an author on H. F. No. 391. The motion prevailed.

Johnson, R., moved that the name of Solberg be stricken and the name of Nelson, C., be added as an author on H. F. No. 392. The motion prevailed.

Kalis moved that the name of Olsen, S., be added as an author on H. F. No. 419. The motion prevailed.

Vellenga moved that the name of Clark be added as an author on H. F. No. 423. The motion prevailed.

Uphus moved that the name of McPherson be added as an author on H. F. No. 453. The motion prevailed.

#### PROTEST AND DISSENT

The conduct of some majority party members regarding the amendment to the proposed permanent rules of the House of Representatives requires the registration of a strong protest and dissent under the Minnesota Constitution, article IV, section 11.

On February 2, 1989, as debate began on the proposed permanent rules of the House of Representatives, Representative K.J. McDonald and a bipartisan group of ten other representatives proposed an amendment to have the pledge of allegiance to the flag of the United States of America said on the first day of each week. The proposal was made in the widely-held spirit that the members of the House would want to support this regular display of patriotism.

Later, another representative from the majority party filed the identical amendment. The Speaker then called up that amendment first and it passed. The Speaker then suggested that Representative McDonald's amendment would be out of order as a duplicate of the one considered and passed. Those actions were carried out despite the fact that Representative McDonald's amendment was filed first. The effect of the procedure was to permit one legislator to preempt the idea of the group that originally filed the proposal.

The public who elect all the representatives expect each representative to be able to offer his or her ideas without prejudice to where he or she happens to live in the state or what political party he or she belongs to. The actions by the Speaker and the representative sponsoring the second amendment was a direct frustration of that will of the people.

This action was also particularly inappropriate since the debate included consideration of imposing ethical constraints on members of the legislature. The plagiarism of an amendment as well as the engineering of the consideration of the plagiarized amendment first is a flagrant abuse of power and of the common understanding of the ethical norms of the House.

The Speaker and the member who plagiarized the McDonald amendment should publicly apologize.

Signed:

Bill Schreiber  
 Steve Sviggum  
 Howard Miller  
 Terry Dempsey  
 Donald J. Valento  
 Bernie Omann  
 Sally Olsen  
 Steve Dille  
 Gary Schafer  
 Harriet McPherson  
 Connie Morrison  
 Brad Stanius  
 Kathleen Blatz  
 Joyce Henry  
 Dick Pellow  
 Bill Macklin

Ron Abrams  
 Jim Girard  
 Warren E. Limmer  
 Teresa Lynch  
 John Himle  
 John Burger  
 Don Frerichs  
 David B. Gruenes  
 Gil Gutknecht  
 Tony Onnen  
 Marcel "Sal" Frederick  
 Bob Haukoos  
 Sylvester Uphus  
 Ben Boo  
 Jim Heap  
 Dean Hartle

#### ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the following committee assignments:

Governmental Operations: Add the name of Runbeck.

Health and Human Services: Add the name of Runbeck.

Insurance: Add the name of Runbeck.

Local Government and Metropolitan Affairs: Add the name of Runbeck.

Regulated Industries: Add the name of Carlson, D.

#### ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 2:30 p.m., Monday, February 13, 1989. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Monday, February 13, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION — 1989

## TWELFTH DAY

SAINT PAUL, MINNESOTA, MONDAY, FEBRUARY 13, 1989

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

Prayer was offered by Monsignor James D. Habiger, House Chaplain, St. Paul, Minnesota.

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

The roll was called and the following members were present:

Abrams	Greenfield	Lasley	Onnen	Schreiber
Anderson, R.	Gruenes	Lieder	Orenstein	Seaberg
Battaglia	Gutknecht	Limmer	Osthoff	Segal
Bauerly	Hartle	Long	Ostrom	Simoneau
Beard	Hasskamp	Lynch	Otis	Skoglund
Begich	Haukoos	Macklin	Ozment	Solberg
Bennett	Heap	Marsh	Pappas	Sparby
Bertram	Henry	McDonald	Pauly	Stanis
Bishop	Himle	McEachern	Pellow	Steensma
Blatz	Hugoson	McGuire	Pelowski	Sviggum
Boo	Jacobs	McLaughlin	Peterson	Swenson
Burger	Janezich	McPherson	Poppenhagen	Tjornhom
Carlson, D.	Jaros	Milbert	Price	Tompkins
Carlson, L.	Jefferson	Miller	Pugh	Trimble
Carruthers	Jennings	Morrison	Quinn	Tunheim
Clark	Johnson, A.	Munger	Redalen	Uphus
Conway	Johnson, R.	Murphy	Reding	Valento
Cooper	Johnson, V.	Nelson, C.	Rest	Vellenga
Dauner	Kahn	Nelson, K.	Rice	Wagenius
Dawkins	Kalis	Neuenschwander	Richter	Waltman
Dempsey	Kelly	O'Connor	Rodosovich	Weaver
Dille	Kelso	Ogren	Rukavina	Welle
Dorn	Kinkel	Olsen, S.	Runbeck	Wenzel
Frederick	Knickerbocker	Olson, E.	Sarna	Williams
Frerichs	Kostohryz	Olson, K.	Schafer	Winter
Girard	Krueger	Omann	Scheid	Wynia
				Spk. Vanasek

A quorum was present.

Anderson, G.; Brown and Forsythe were excused.

The Chief Clerk proceeded to read the Journal of the preceding

day. Poppenhagen 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

Pursuant to Rules of the House, printed copies of H. F. Nos. 363, 154, 247 and 141 and S. F. No. 28 have been placed in the members' files.

#### PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
ST. PAUL 55155

February 8, 1989

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

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 1, relating to courts; reenacting the statutory provision authorizing six member juries in nonfelony cases.

Sincerely,

RUDY PERPICH  
Governor

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

February 9, 1989

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

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1989 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F.</i> <i>No.</i>	<i>H.F.</i> <i>No.</i>	<i>Session Laws</i> <i>Chapter No.</i>	<i>Date Approved</i> <i>1989</i>	<i>Date Filed</i> <i>1989</i>
	1	2	15:59-February 8	February 8

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

## REPORTS OF STANDING COMMITTEES

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 42, A bill for an act relating to economic development; permitting state agencies and local jurisdictions to invest in a working capital fund; amending Minnesota Statutes 1988, section 137.31, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 16B, 161, 471, and 473.

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

The report was adopted.

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

H. F. No. 102, A bill for an act relating to state parks; appropriating money for the acquisition of land in Sibley state park.

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

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 104, A bill for an act relating to local government; creating the Kandiyohi county rural development finance authority; authorizing the establishment of a development and redevelopment program and the authorization of powers for it.

Reported the same back with the following amendments:

Page 1, lines 15, 19, and 21, delete "469.109" and insert "469.090"

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

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 201, A bill for an act relating to liquor; increasing age for provisional driver's license to 21 years; providing for fees; providing for license suspension for minors misrepresenting their age for purposes of purchasing alcoholic beverages; providing penalty for misuse of Minnesota identification card; amending Minnesota Statutes 1988, sections 171.02, subdivision 3; 171.06, subdivision 2; 171.07, subdivision 1; 171.171; 171.22; and 171.27.

Reported the same back with the following amendments:

Page 6, after line 5, insert:

"Sec. 7. Minnesota Statutes 1988, section 340A.503, subdivision 6, is amended to read:

Subd. 6. [PROOF OF AGE; DEFENSE.] (a) Proof of age for purchasing or consuming alcoholic beverages may be established

only by a valid drivers license or Minnesota identification card, or in the case of a foreign national by a valid passport.

(b) In a prosecution under subdivision 2, clause (1), it is a defense for the defendant to prove by a preponderance of the evidence that the defendant reasonably and in good faith relied upon representations of proof of age authorized in paragraph (a) in selling, bartering, furnishing, or giving the alcoholic beverage.

Sec. 8. Minnesota Statutes 1988, section 340A.801, is amended by adding a subdivision to read:

Subd. 3a. [DEFENSE.] The defense described in section 340A.503, subdivision 6, applies to actions under this section."

Amend the title as follows:

Page 1, line 10, delete "and" and after "171.27" insert "; 340A.503, subdivision 6; and 340A.801, by adding a subdivision"

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

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 204, A bill for an act relating to unclaimed property; providing for the disposition of unclaimed money held by counties; amending Minnesota Statutes 1988, section 345.38, by adding a subdivision.

Reported the same back with the recommendation that the bill be re-referred to the Committee on Judiciary and without further recommendation.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 218, A bill for an act relating to motor vehicles; defining terms; including station wagon and certain passenger-carrying vans as passenger automobiles for all purposes; providing for registration of certain vehicles; amending Minnesota Statutes 1988, sections 65B.001, subdivision 3; 65B.43, subdivision 12; 116.60, subdivision 7; 168.011, subdivisions 7, 28, and 35; 168.012, subdivision 1;

168.017, subdivision 1; 168.12, subdivisions 2b and 2c; 168.124, subdivision 5; 168.125, subdivision 1; and 168.126, subdivision 2; repealing Minnesota Statutes 1988, sections 168.011, subdivision 23; and 168.101, subdivision 5.

Reported the same back with the following amendments:

Pages 2 and 3, delete section 6

Page 8, line 15, delete "14" and insert "13"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 8, delete "28, and 35" and insert "and 28"

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

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 268, A bill for an act relating to commerce; regulating burglar alarm franchises; amending Minnesota Statutes 1988, section 80C.30.

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

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 296, A bill for an act relating to real property; changing effective dates for provisions relating to validation of foreclosure sales; amending Minnesota Statutes 1988, section 582.27.

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

The report was adopted.

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

H. F. No. 326, A bill for an act relating to human services; requiring nursing homes to fully participate in Medicare for medical assistance participation; defining full participation; amending Minnesota Statutes 1988, section 256B.48, subdivision 6.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 256B.48, subdivision 6, is amended to read:

Subd. 6. [MEDICARE CERTIFICATION.] (a) All nursing homes certified as skilled nursing facilities under the medical assistance program shall fully participate in Medicare part A and part B unless, after submitting an application, Medicare certification is denied by the federal health care financing administration. "Fully participate" means that 95 percent of a nursing home's beds certified as skilled under the medical assistance program are Medicare certified. The commissioner may grant exceptions to this requirement for nursing homes that are designated as institutions for mental disease. Medicare review shall be conducted at the time of the annual medical assistance review. Charges for medicare-covered services provided to residents who are simultaneously eligible for medical assistance and Medicare must be billed to Medicare part A or part B before billing medical assistance. Medical assistance may be billed only for charges not reimbursed by Medicare.

Until September 30, 1987, the commissioner of health may grant exceptions from this requirement when a nursing home submits a written request for exception and it is determined that there is sufficient participation in the Medicare program to meet the needs of Medicare beneficiaries in that region of the state. For the purposes of this section, the relevant region is the county in which the nursing home is located together with contiguous Minnesota counties. There is sufficient participation in the Medicare program in a particular region when the proportion of skilled resident days paid by the Medicare program is at least equal to the national average based on the most recent figure that can be supplied by the federal health care financing administration. A nursing home that is granted an exception under this subdivision must give appropriate notice to all applicants for admission that Medicare coverage is not available in the nursing home and publish this fact in all literature and advertisement related to the nursing home.

(b) During the interim period before approval or denial of a home's application for Medicare certification by the health care financing

administration, a resident in a skilled care bed and eligible for medical assistance who becomes eligible for Medicare has the right to refuse an intrafacility skilled bed transfer if the resident's physician submits a written statement that the transfer would create or contribute to a health problem for the resident.

(c) A resident eligible for medical assistance who is occupying a skilled bed certified by the medical assistance and Medicare programs shall also have the right to refuse a transfer if the resident's bed is required by a Medicare eligible patient or a private pay patient.

(d) The requirements of paragraphs (b) and (c) may be implemented only if the federal Department of Health and Human Services agrees to approve the medical assistance state plan amendment submitted to implement those paragraphs.

(e) The commissioner of human services shall inform recipients of their rights under this section and section 144.651, subdivision 29.

## Sec. 2. [EFFECTIVE DATES.]

That portion of section 1 requiring nursing homes certified as skilled nursing facilities to apply for full participation in Medicare part A and part B is effective three months following final enactment. That portion of section 1 allowing residents eligible for both medical assistance and Medicare the right of refusal is effective the day following final enactment."

Amend the title as follows:

Page 1, line 4, after "full participation;" insert "providing residents with the right to refuse a transfer;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

S. F. No. 28, A bill for an act relating to probate; providing for adult health care decisions; imposing penalties; proposing coding for new law as Minnesota Statutes, chapter 145B.

Reported the same back with the following amendments:

Page 2, line 24, after "witnesses" insert "or a notary public"

Page 2, after line 24, insert:

“(b) A declaration must state:

(1) the declarant’s preferences regarding whether the declarant wishes to receive or not receive artificial nutrition and hydration; or

(2) that the declarant wishes the proxy, if any, to make decisions regarding administration of artificial nutrition and hydration for the declarant

if the declarant is unable to make health care decisions and the declaration becomes operative. If the declaration does not state the declarant’s preferences regarding administration of artificial nutrition and hydration, the declaration shall be enforceable as to all other preferences or instructions regarding health care, and a decision to administer, withhold, or withdraw artificial nutrition and hydration shall be made pursuant to section 13.”

Page 2, line 25, delete “(b)” and insert “(c)” and delete “given orally and” and insert “communicated to and then”

Page 2, line 29, delete “(c) One” and insert “(d) Neither” and delete “must” and insert “can” and delete “not”

Page 2, line 31, after “witnesses” insert “nor notary”

Page 6, line 27, delete “at least one” and insert “neither” and delete “not”

Page 6, line 32, after “declaration” insert “, and to the best of my knowledge, I am not entitled to any part of the estate of the declarant under a will or by operation of law”

Page 6, delete lines 35 and 36

Page 7, delete lines 1 to 4

Page 10, line 25, delete “possible” and insert “probable to a reasonable degree of medical certainty”

Page 10, line 30, delete the second “or” and after “suicide” insert “, or assisted suicide”

Page 11, line 10, delete “legal” and insert “lawful”

Page 11, line 11, delete “the” and after the second “treatment” insert “by spiritual means”

Page 11, line 12, delete “specified” and insert “authorized”

With the recommendation that when so amended the bill pass.

The report was adopted.

### **SECOND READING OF HOUSE BILLS**

H. F. Nos. 218, 268 and 326 were read for the second time.

### **SECOND READING OF SENATE BILLS**

S. F. No. 28 was read for the second time.

### **INTRODUCTION AND FIRST READING OF HOUSE BILLS**

The following House Files were introduced:

Munger, Vanasek, Redalen, Begich and Weaver introduced:

H. F. No. 544, A bill for an act relating to solid waste; establishing plans and programs to reduce waste generated, recycle waste, develop markets for recyclables, address materials that cause special problems in the waste stream, prevent, control, and abate litter, inform and educate the public on proper waste management; appropriating money; amending Minnesota Statutes 1988, sections 18B.01, by adding a subdivision; 115A.03, by adding subdivisions; 115A.072; 115A.12, subdivision 1; 115A.15, by adding subdivisions; 115A.46, subdivision 2; 115A.48, subdivision 3, and by adding subdivisions; 115A.96, subdivision 2, and by adding a subdivision; 116.07, by adding a subdivision; 116K.04, by adding a subdivision; 275.51, subdivision 1; 297A.01, subdivision 3; 297A.44, subdivision 1; 325E.115, subdivision 1; 400.08, by adding a subdivision; 473.149, subdivision 1; and 473.803, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 18B; 115A; 116C; 116J; 173; 297A; and 473.

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

Begich, Munger, Battaglia and Rukavina introduced:

H. F. No. 545, A bill for an act relating to natural resources; providing for the disposal of certain low-grade state-owned iron-bearing materials for construction or maintenance purposes; amending Minnesota Statutes 1988, section 93.41, subdivision 1.

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

Munger; McGuire; Ozment; Johnson, R., and Schafer introduced:

H. F. No. 546, A bill for an act relating to solid waste; establishing plans and programs to reduce waste generated, recycle waste, develop markets for recyclables, address materials that cause special problems in the waste stream, prevent, control, and abate litter, inform and educate the public on proper waste management; appropriating money; amending Minnesota Statutes 1988, sections 18B.01, by adding a subdivision; 115A.03, by adding subdivisions; 115A.072; 115A.12, subdivision 1; 115A.15, by adding subdivisions; 115A.46, subdivision 2; 115A.48, subdivision 3, and by adding subdivisions; 115A.96, subdivision 2, and by adding a subdivision; 116.07, by adding a subdivision; 116K.04, by adding a subdivision; 275.51, subdivision 1; 297A.01, subdivision 3; 297A.44, subdivision 1; 325E.115, subdivision 1; 400.08, by adding a subdivision; 473.149, subdivision 1; and 473.803, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 18B; 115A; 116C; 116J; 173; 297A; and 473.

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

Stanis introduced:

H. F. No. 547, A bill for an act relating to retirement; authorizing certain purchases of prior service credit.

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

Stanis introduced:

H. F. No. 548, A bill for an act relating to education; altering the responsibility for textbook and material costs under the post-secondary enrollment options act; amending Minnesota Statutes 1988, section 123.3514, subdivision 6.

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

Sarna, Simoneau, Knickerbocker, Otis and McLaughlin introduced:

H. F. No. 549, A bill for an act relating to retirement; certain local

relief associations in certain cities of the first class; authorizing annual postretirement payments based on investment performance; adjusting certain requirements governing the preparation of actuarial valuations and the calculation of municipal funding requirements; amending Minnesota Statutes 1988, sections 69.031, subdivision 5; 69.77, subdivision 2b; 356.216; and 423A.01, subdivision 2.

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

Stanius introduced:

H. F. No. 550, A bill for an act relating to local government; restating that certain reserve fund levies are special levies; amending Minnesota Statutes 1988, sections 275.50, subdivision 5; and 471.572, subdivision 2.

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

Stanius introduced:

H. F. No. 551, A bill for an act relating to education; restoring fund balance reductions to eligible school districts; authorizing a special levy; appropriating money.

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

Bertram, Bauerly, Krueger, Sparby and Gruenes introduced:

H. F. No. 552, A bill for an act relating to peace officers; providing that certain first responders are peace officers for purposes of benefits if killed in the line of duty; amending Minnesota Statutes 1988, section 176B.01, subdivision 2.

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

Gutknecht, Bishop and Frerichs introduced:

H. F. No. 553, A bill for an act relating to Olmsted county; exempting the county from operation of a public morgue.

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

Schreiber; Vanasek; Wynia; Anderson, G., and Carlson, D., introduced:

H. F. No. 554, A bill for an act proposing an amendment to the Minnesota Constitution, article IV, sections 2, 3, and 4; providing for a legislature with a total of 120 to 168 members with senators elected for six-year staggered terms and representatives elected for four-year staggered terms.

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

Kinkel, Bennett, McEachern, Janezich and Kostohryz introduced:

H. F. No. 555, A bill for an act relating to charitable gambling; including within the definition of "lawful purpose" certain expenditures for the erection, acquisition, maintenance and repair of real property; amending Minnesota Statutes 1988, section 349.12, subdivision 11.

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

Osthoff, Scheid, O'Connor, Morrison and Milbert introduced:

H. F. No. 556, A bill for an act relating to commerce; requiring mortgage lenders and mortgage brokers to obtain a license from the commissioner of commerce; requiring certain disclosures by mortgage lenders and mortgage brokers; prohibiting certain practices by mortgage lenders and mortgage brokers; appropriating money; amending Minnesota Statutes 1988, sections 82.17, subdivision 4; and 82.18; proposing coding for new law as Minnesota Statutes, chapter 57; repealing Minnesota Statutes 1988, section 82.175.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Reding introduced:

H. F. No. 557, A bill for an act relating to retirement; police state aid; allowing counties and municipalities to use excess police state aid amounts for employee and retiree health insurance purposes; amending Minnesota Statutes 1988, section 69.031, subdivision 5.

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

Reding and Dorn introduced:

H. F. No. 558, A bill for an act relating to education; appropriating money for a pilot project for science and mathematics teachers at Mankato State University.

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

Dempsey introduced:

H. F. No. 559, A bill for an act relating to marriage dissolution; eliminating a requirement to file a verified statement of assets; amending Minnesota Statute 1988, section 518.58, subdivision 1.

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

Uphus, Girard and Winter introduced:

H. F. No. 560, A bill for an act relating to solid waste disposal; authorizing disposal of certain categories of solid waste from a single family or household; permitting outdoor burning of certain materials; requiring the pollution control agency to conduct a survey on groundwater; proposing coding for new law in Minnesota Statutes, chapter 116.

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

Valento, Henry, Limmer, Lynch and Pellow introduced:

H. F. No. 561, A bill for an act relating to taxation; individual income; modifying computation of the dependent care credit; indexing the offset for inflation; amending Minnesota Statutes 1988, section 290.067, subdivision 2, and by adding subdivisions.

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

Bertram and Bauerly introduced:

H. F. No. 562, A bill for an act relating to retirement; granting military service credit to certain state employees; proposing coding for new law in Minnesota Statutes, chapter 352.

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

Bertram and Bauerly introduced:

H. F. No. 563, A bill for an act relating to taxation; income; providing an exclusion for certain military pay; amending Minnesota Statutes 1988, section 290.01, subdivision 19b.

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

Lasley, Peterson and Beard introduced:

H. F. No. 564, A bill for an act relating to volunteers; providing benefits to certain volunteers injured or killed while performing public service; amending Minnesota Statutes 1988, sections 176.011, subdivision 9; and 176B.01, subdivision 2.

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

Omann, Wenzel, Macklin, Haukoos and Dempsey introduced:

H. F. No. 565, A bill for an act relating to retirement; adopting a rule of 90 for members of the teachers retirement association; amending Minnesota Statutes 1988, section 354.44, subdivision 6.

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

Pappas; Nelson, K., and McLaughlin introduced:

H. F. No. 566, A bill for an act relating to crimes; prohibiting the ownership, possession, or operation of semi-automatic assault rifles except under certain circumstances; amending Minnesota Statutes 1988, section 609.67, subdivisions 1, 2, 3, and 4.

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

Olsen, S.; Schreiber; Limmer; Lynch and Runbeck introduced:

H. F. No. 567, A bill for an act relating to education; establishing a basic revenue formula allowance for fiscal years 1990 and 1991;

revising the training and experience revenue formula; amending Minnesota Statutes 1988, section 124A.22, subdivisions 2 and 4.

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

Henry, Simoneau, Himle, Lasley and Blatz introduced:

H. F. No. 568, A bill for an act relating to retirement; Bloomington firefighters relief association; providing for duty related disability and death benefits; amending Laws 1965, chapter 446, sections 2 and 3.

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

McPherson, Hugoson, Stanius, Tompkins and Pauly introduced:

H. F. No. 569, A bill for an act relating to taxation; property; extending the homestead and agricultural credit to taxes payable after 1989; abolishing transition aid; repealing increases in income maintenance payments; amending Minnesota Statutes 1988, sections 124.155, subdivision 2; 124.2131, subdivision 3; 124.2139; 124A.02, subdivision 3a; 256.01, subdivision 2; 256.72; 256.81; 256.82, subdivision 1; 256.863; 256.871, subdivision 6; 256.935, subdivision 1; 256.991; 256B.041, subdivisions 5 and 7; 256B.05, subdivision 1; 256B.091, subdivision 8; 256B.15; 256B.19, subdivisions 1 and 2; 256D.03, subdivisions 2 and 6; 256D.04; 256D.36, subdivision 1; 256G.01, subdivision 3; 256G.02, subdivision 4; 256G.04, subdivision 1; 256G.05; 256G.07; 256G.10; 256G.11; 273.123, subdivisions 4 and 5; 273.124, subdivisions 11 and 13; 273.13, subdivisions 22 and 23; 273.132, subdivisions 1, 2, and 5; 273.135, subdivision 2; 273.1391, subdivision 2; 273.1392; 273.1398, subdivisions 1, 3, and 6; 273.165, subdivision 2; 275.065, subdivision 2; 275.07, subdivision 1; 275.08, subdivisions 1a and 1b; 275.50, subdivision 5; 275.51, subdivisions 3f and 3h; 276.04, subdivision 2; 290A.04, subdivision 2; 393.07, subdivisions 2 and 10; 473.446, subdivision 1; 473F.02, subdivision 23; 473F.05; 473F.06; 473F.07, subdivisions 1, 4, and 5; 473F.08, subdivisions 1, 2, 3a, 4, 5, 6, and 10; 473F.10; 477A.011, subdivisions 15 and 20; and 477A.013, subdivision 3; Laws 1988, chapter 719, article 5, sections 81 and 84; repealing Minnesota Statutes 1988, sections 256.017; 256.018; 256.019; 273.13, subdivision 21a; 273.135, subdivision 2a; 273.1391, subdivision 2a; 273.1398, subdivisions 2 and 5; 275.07, subdivision 3; 275.08, subdivision 1c; 290A.04, subdivision 2b; and Laws 1988, chapter 719, article 8, sections 32, 33, 34, 35, and 36.

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

Olsen, S.; Lynch; Runbeck; Weaver and Hugoson introduced:

H. F. No. 570, A bill for an act relating to education; establishing a categorical program for the gifted and talented; proposing coding for new law in Minnesota Statutes, chapter 124.

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

Olsen, S.; Schreiber; Runbeck; Bennett and Redalen introduced:

H. F. No. 571, A bill for an act relating to taxation; individual income; modifying computation of the dependent care credit; indexing the offset for inflation; amending Minnesota Statutes 1988, section 290.067, subdivision 2, and by adding subdivisions.

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

Bauerly; Nelson, K.; McEachern; Ozment and Ostrom introduced:

H. F. No. 572, A bill for an act relating to education; providing for an interagency task force; creating a competitive grant process for literacy programs; increasing funding for adult basic education programs; increasing the adult basic and continuing education tax capacity; appropriating money; amending Minnesota Statutes 1988, section 275.125, subdivision 8; proposing coding for new law in Minnesota Statutes, chapter 129B.

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

Neuenschwander introduced:

H. F. No. 573, A bill for an act relating to natural resources; designating the white-tailed deer as the official state mammal; proposing coding for new law in Minnesota Statutes, chapter 1.

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

Pappas, Jefferson and Kelly introduced:

H. F. No. 574, A bill for an act relating to public administration; requiring minority and female skilled craftspeople to be employed on certain public projects; providing that deception in certain statements regarding minority and female businesses is a crime;

providing a penalty; proposing coding for new law in Minnesota Statutes, chapters 16B and 609.

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

Kalis introduced:

H. F. No. 575, A bill for an act relating to education; appropriating money for a communications link between Blue Earth and Mankato.

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

Long and Rest introduced:

H. F. No. 576, A bill for an act relating to the financing of government in this state; changing the rate and computation of charitable gambling taxes; changing the allocation of money to the budget and cash flow reserve account; amending Minnesota Statutes 1988, sections 16A.1541; 349.12, subdivisions 11, 13, and by adding a subdivision; 349.15; and 349.212, subdivisions 1 and 4.

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

Osthoff, Solberg and Schreiber introduced:

H. F. No. 577, A bill for an act relating to gambling; requiring the commissioner of human services to establish a program for compulsive gambling; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 245.

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

Lieder, Vanasek, Battaglia, Haukoos and Dille introduced:

H. F. No. 578, A bill for an act relating to transportation; granting power to road authorities to mow or till rights-of-way of certain highways; amending Minnesota Statutes 1988, sections 160.232; and 160.27, subdivision 5.

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

Scheid, Bishop, Janezich and Milbert introduced:

H. F. No. 579, A bill for an act relating to certain commercial transactions; adopting an article of the uniform commercial code that governs leases; amending Minnesota Statutes 1986, section 336.1-201; proposing coding for new law in Minnesota Statutes, chapter 336.

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

Winter, Olson, K.; Uphus and Dauner introduced:

H. F. No. 580, A bill for an act relating to agriculture; authorizing grazing or haying of certain land under conservation easements with the approval of the governor; amending Minnesota Statutes 1988, section 40.43, subdivision 4.

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

Winter, Johnson, V.; Steensma and Schafer introduced:

H. F. No. 581, A bill for an act relating to game and fish; providing an experimental open season for angling two weeks earlier in certain areas south of U.S. highway marked No. 12 and in Hennepin, Anoka, Ramsey, and Washington counties; amending Minnesota Statutes 1988, section 97C.395, subdivision 1, and by adding a subdivision.

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

Winter introduced:

H. F. No. 582, A bill for an act relating to veterans; providing for establishment of a veterans home in Worthington; proposing coding for new law in Minnesota Statutes, chapter 198.

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

Winter, Steensma, Wenzel, Dauner and Olson, K., introduced:

H. F. No. 583, A bill for an act relating to agriculture; making changes in the rural finance authority loan program; amending Minnesota Statutes 1988, sections 41B.02, subdivisions 12, 15, and

18; 41B.03, subdivision 3, and by adding a subdivision; 41B.039, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 41B; repealing Minnesota Statutes 1988, sections 41B.03, subdivision 4; and 41B.039, subdivisions 3, 4, and 5.

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

Winter; Olson, K.; Uphus and Vanasek introduced:

H. F. No. 584, A bill for an act relating to environment; regulating municipal wastewater treatment funding; amending Minnesota Statutes 1988, sections 116.18, subdivisions 3a and 3b; 446A.02, subdivision 4; and 446A.07, subdivision 8; proposing coding for new law in Minnesota Statutes, chapter 115.

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

McLaughlin, Otis, Rukavina and Anderson, R., introduced:

H. F. No. 585, A bill for an act relating to employment; requiring a semiannual survey to measure underemployment of Minnesota workers; proposing coding for new law in Minnesota Statutes, chapter 268.

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

Bennett, Kelly, Kahn, Rice and Abrams introduced:

H. F. No. 586, A bill for an act relating to crimes; requiring the bureau of criminal apprehension to develop uniform procedures for the collection and preservation of DNA identification evidence; providing for the admissibility of such evidence; appropriating money for the development of a DNA fingerprinting laboratory; proposing coding for new law in Minnesota Statutes, chapters 299C, 609, and 634.

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

Lynch, Quinn, Simoneau and Weaver introduced:

H. F. No. 587, A bill for an act relating to retirement; excluding members of the Andover volunteer fire department from membership in the public employees retirement association.

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

Cooper, Bertram and Poppenhagen introduced:

H. F. No. 588, A bill for an act relating to public improvements; providing that work done on certain public works or improvements is not subject to certain licensing requirements; amending Minnesota Statutes 1988, section 326.03, subdivision 2.

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

Nelson, K., introduced:

H. F. No. 589, A bill for an act relating to education; proposing department of education initiatives; making technical corrections and clarifications; appropriating money; amending Minnesota Statutes 1988, sections 120.06, by adding a subdivision; 120.17, subdivisions 3, 3b, and by adding a subdivision; 121.16, by adding a subdivision; 123.3514, subdivisions 2, 4, 4c, 5, 7, and 10; 123.36, subdivision 13; 123.935, subdivision 7; 123.9361; 124.15, subdivision 2; 124.17, subdivision 1b; 124.19, by adding a subdivision; 124.195, subdivision 8; 124.225; 124.273, subdivisions 4 and 5; 124.32, subdivisions 1b, 1d, and 2; 124.48, subdivision 3; 124.574, subdivision 5; 124A.036, by adding a subdivision; 124A.22, subdivisions 1, 2, and by adding a subdivision; 124A.23, subdivisions 1, 2, 2a, 3, 4, and by adding a subdivision; 124A.24; 124A.26, subdivision 2; 124A.27, subdivision 1; 125.60, subdivision 3; 126.151, subdivision 2; 126.665; 134.31, by adding a subdivision; 275.125, subdivisions 5, 5b, 5c, 8c, and 8e; 354.094, subdivisions 1 and 2; 354.66, subdivision 4; 354A.091, subdivisions 1 and 2; and 354A.094, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 123; 124; 124A; 126; and 129B; repealing Minnesota Statutes 1988, sections 125.60, subdivision 7; 354.094, subdivisions 1a and 1b; and 354A.091, subdivision 1a.

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

Cooper; Nelson, C.; Brown; Morrison and Munger introduced:

H. F. No. 590, A bill for an act relating to agriculture; requiring certain disposable waste containers to be degradable; requiring a minimum content of corn starch in certain disposable waste containers; amending Minnesota Statutes 1988, section 325E.045, subdivision 1, and by adding a subdivision.

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

Cooper; Brown; Dille; Nelson, C., and Quinn introduced:

H. F. No. 591, A bill for an act relating to agriculture; appropriating money for promoting the use of ethanol.

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

McGuire, Hasskamp, Ogren, Skoglund and Dille introduced:

H. F. No. 592, A bill for an act relating to health; prohibiting billboard advertising of tobacco products; proposing coding for new law in Minnesota Statutes, chapter 144.

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

Kinkel, Sarna, Knickerbocker, Murphy and O'Connor introduced:

H. F. No. 593, A bill for an act relating to occupations and professions; providing for a uniform electrical violation ticket; proposing coding for new law in Minnesota Statutes, chapter 326.

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

Kinkel, Bertram, Pelowski, Lasley and Redalen introduced:

H. F. No. 594, A bill for an act relating to education; expanding the list of those whose home may be considered the residence of a pupil for transportation aid; amending Minnesota Statutes 1988, section 124.223.

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

O'Connor, Bennett, Pellow, Osthoff and Krueger introduced:

H. F. No. 595, A bill for an act relating to housing; exempting relocated residential buildings from certain provisions of the state building code; amending Minnesota Statutes 1988, section 16B.61, subdivision 3.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Rest, Bishop, Greenfield and Kelly introduced:

H. F. No. 596, A bill for an act relating to trusts; permitting the creation of custodial trusts; adopting the uniform custodial trust act; proposing coding for new law as Minnesota Statutes, chapter 529.

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

Stanius, Pellow, Swenson and Bennett introduced:

H. F. No. 597, A bill for an act relating to education; authorizing a levy for teacher retirement costs of intermediate school districts; amending Minnesota Statutes 1988, section 275.125, by adding a subdivision.

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

Stanius, Pugh, Greenfield and Gruenes introduced:

H. F. No. 598, A bill for an act relating to juveniles; authorizing county welfare boards to collect fees for court-ordered treatment; amending Minnesota Statutes 1988, section 260.251, subdivision 1.

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

Stanius and Swenson introduced:

H. F. No. 599, A bill for an act relating to education; increasing the general education formula allowance; increasing the special education reimbursement; authorizing a levy for teacher retirement costs; appropriating money; amending Minnesota Statutes 1988, sections 124.32, subdivision 1b; 124A.22, subdivision 2; and 275.125, by adding a subdivision; repealing Minnesota Statutes 1988, sections 124A.22, subdivisions 7, 8, and 9; and 124A.23, subdivision 2a.

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

Stanius, Ozment and Bennett introduced:

H. F. No. 600, A bill for an act relating to health; requiring health clubs to have staff trained in cardiopulmonary resuscitation; proposing coding for new law in Minnesota Statutes, chapter 145.

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

Long, Munger, Ozment, Wagenius and Anderson, R., introduced:

H. F. No. 601, A bill for an act relating to waste management; defining "waste reduction"; extending the expiration date of waste advisory councils; authorizing counties to designate waste to landfills; requiring financial reports from landfills; clarifying the limits of political subdivision liability for superfund cleanup at landfills; authorizing the pollution control agency to acquire interests in real estate necessary for superfund; authorizing superfund to reimburse political subdivisions for costs incurred in responding to emergency releases of hazardous materials; making claims for injuries due to petroleum contamination eligible for compensation by the harmful substances compensation fund; authorizing transfer of money from the petroleum tank release cleanup fund; altering the metropolitan council's authority for solid waste planning; raising the solid waste disposal fee in the metropolitan area; clarifying the 1990 ban on disposal of unprocessed waste in the metropolitan area; extending the date until which metal finishers are not liable for payment of hazardous waste generator fees; requiring a study of solid waste management district legislation; amending Minnesota Statutes 1988, sections 115A.03, by adding a subdivision; 115A.12, subdivision 1; 115A.14, subdivision 2; 115B.04, subdivision 4; 115B.17, by adding a subdivision; 115B.20, subdivision 2; 115B.25, subdivisions 1, 2, and 7, and by adding four subdivisions; 115B.26; 115B.27, subdivision 1; 115B.28, subdivision 2; 115B.29, subdivision 1; 115B.30, subdivision 3; 115B.34, subdivision 2; 115C.08, subdivision 4 and by adding a subdivision; 446.04, subdivision 1; 473.149, subdivisions 2d and 2e; 473.803, by adding a subdivision 1a; 473.845, subdivision 2; and 473.848; amending Laws 1987, chapter 348, section 50; proposing coding for new law in chapter 115A; repealing Minnesota Statutes 1988, sections 115A.98 and 115B.29, subdivision 2.

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

Rest, Long, McLaughlin, Schreiber and Kelly introduced:

H. F. No. 602, A bill for an act relating to taxation; imposing tax

on the unrelated business income of exempt organizations; amending Minnesota Statutes 1988, section 290.05, subdivision 3.

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

Sparby, Winter, Redalen, Steensma and Wenzel introduced:

H. F. No. 603, A bill for an act relating to agriculture; extending the farmer-lender mediation act; extending mortgage foreclosure relief provisions; amending provisions relating to the time period under which there is a rebuttable presumption that a sale is a violation of the right to receive an offer to buy agricultural land; amending Minnesota Statutes 1988, section 500.24, subdivision 6; and Laws 1983, chapter 215, section 16, as amended; and Laws 1986, chapter 398, article 1, section 18, as amended.

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

Stanisus, Greenfield, Ogren, Clark and Abrams introduced:

H. F. No. 604, A bill for an act relating to juveniles; including emotionally abused children among children in need of protection or services; amending Minnesota Statutes 1988, section 260.015, subdivision 2a, and by adding a subdivision.

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

Stanisus, Simoneau, Schreiber and Clark introduced:

H. F. No. 605, A bill for an act relating to human services; regulating the siting of group homes; amending Minnesota Statutes 1988, section 245A.11, subdivisions 2 and 3.

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

Stanisus, Greenfield, Pellow, Valento and Ogren introduced:

H. F. No. 606, A bill for an act relating to human services; providing for direct payment of per diems to battered women's shelters; amending Minnesota Statutes 1988, section 256.01, subdivision 2, and by adding subdivisions; repealing Minnesota Statutes 1988, section 256D.05, subdivisions 3 and 3a.

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

Pelowski and Otis introduced:

H. F. No. 607, A bill for an act relating to economic development; establishing a toll free provider referral system for small businesses; amending Minnesota Statutes 1988, section 116J.68, subdivision 2.

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

Rukavina, Trimble, Begich, Sarna and Beard introduced:

H. F. No. 608, A bill for an act relating to occupational safety and health; proposing the "safety right-to-know act of 1989"; requiring employers to survey their worksite, conduct job safety analyses, establish safety committees, prepare information describing how to work safely, and provide training to employees; appropriating money; amending Minnesota Statutes 1988, sections 182.65, by adding a subdivision; 182.651, by adding subdivisions; 182.653, by adding subdivisions; and 182.673; repealing Minnesota Statutes 1988, section 182.651, subdivision 16.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Greenfield, Gruenes, Ogren, Welle and Rodosovich introduced:

H. F. No. 609, A bill for an act relating to human services; establishing a capital replacement fund for nursing homes; authorizing certain changes in the property costs for nursing homes; amending Minnesota Statutes 1988, section 256B.431, subdivisions 3f, 4, and by adding subdivisions; repealing Minnesota Statutes 1988, sections 256B.431, subdivision 3c.

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

Sparby, Munger, Vanasek and Carlson, D., introduced:

H. F. No. 610, A bill for an act relating to the environment; authorizing the pollution control agency to assist persons in reviewing real property for petroleum tank releases and to be paid for such assistance; authorizing expenditures from the petroleum tank release compensation fund; changing the terms for reimbursement of petroleum tank release costs by the petroleum tank release compen-

sation board; requiring notification by owners of aboveground tanks; amending Minnesota Statutes 1988, sections 115C.03, by adding a subdivision; 115C.08, subdivision 4; 115C.09; and 116.48.

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

Skoglund introduced:

H. F. No. 611, A bill for an act relating to insurance; regulating agent licensing; regulating Medicare supplement plans; modifying required levels of coverages; amending Minnesota Statutes 1988, sections 60A.17, subdivision 6c, and by adding a subdivision; 62A.31, subdivision 2; 62D.104; 62D.121, subdivision 3; 62D.181, subdivision 4; and 62E.14, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 62A; repealing Minnesota Statutes 1988, sections 62A.32; 62A.33; 62A.34; and 62A.35.

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

McLaughlin and Wagenius introduced:

H. F. No. 612, A bill for an act relating to highways; limiting construction on and acquisition of rights-of-way on interstate highways in metropolitan area; amending Minnesota Statutes 1988, section 161.123.

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

McGuire; Nelson, K.; Hartle; Ozment and Scheid introduced:

H. F. No. 613, A bill for an act relating to education; supporting the revision of teacher education curricula; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 125.

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

McGuire; Hartle; Nelson, K.; Hugoson and Ostrom introduced:

H. F. No. 614, A bill for an act relating to education; appropriating money to the board of teaching to evaluate teacher internship sites.

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

Vellenga, Blatz, Rest, Greenfield and Cooper introduced:

H. F. No. 615, A bill for an act relating to child maltreatment; authorizing the commissioner of human services to provide for the establishment of a statewide 24-hour toll-free telephone helpline; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 626.

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

Bauerly; McEachern; Nelson, K.; Vellenga and Schafer introduced:

H. F. No. 616, A bill for an act relating to education; proposing department of education children's initiatives; appropriating money; amending Minnesota Statutes 1988, sections 120.17, subdivision 11a; 124.271, by adding subdivisions; 124.2711, subdivision 1; and 275.125, subdivisions 8 and 8b; proposing coding for new law in Minnesota Statutes, chapters 123 and 129B; repealing Minnesota Statutes 1988, sections 123.703; 123.705; and 124.271, subdivision 2b.

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

Wynia, Vellenga, Osthoff, Pappas and O'Connor introduced:

H. F. No. 617, A bill for an act relating to retirement; St. Paul police survivor benefits; amending Laws 1955, chapter 151, section 13, as amended.

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

Bauerly, Vellenga, McEachern, Bertram and Kelly introduced:

H. F. No. 618, A bill for an act relating to corrections; requiring the commissioner of corrections to make high school diploma equivalency programs available to inmates; denying "good time" sentence reductions to inmates who do not have a high school diploma and who fail to participate in these educational programs; amending Minnesota Statutes 1988, sections 244.03; and 244.04, subdivision 1, and by adding a subdivision.

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

**MESSAGES FROM THE SENATE**

The following message was received from the Senate:

Mr. Speaker:

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

S. F. No. 32.

PATRICK E. FLAHAVER, Secretary of the Senate

**FIRST READING OF SENATE BILLS**

S. F. No. 32. A bill for an act relating to crimes; trespass; recodifying the law on dangerous trespasses and misdemeanor trespasses; prescribing penalties; amending Minnesota Statutes 1988, sections 609.02, subdivisions 12 and 13; 609.50; 609.55, subdivision 2, and by adding subdivisions; 609.576; 609.605; 609.85; 609.855, subdivisions 1 and 3; 624.731, subdivision 7; and 629.363; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes 1988, section 609.60.

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

**CALENDAR**

H. F. No. 68. A bill for an act relating to taxation; making technical corrections to the property taxation of unmined iron ore; making technical corrections and clarifications to the corporate franchise tax; retroactively providing a corporate franchise tax modification for mining income or gains; clarifying the computation of mining occupation taxes; exempting S corporations from business activity report filing requirements; repealing an obsolete reference; amending Minnesota Statutes 1988, sections 273.1104, subdivision 2; 290.01, subdivision 19d; 290.015, subdivisions 2, 3, and 4; 290.092, subdivisions 2 and 4a; 290.191, subdivisions 6 and 11; 290.371; 298.01, subdivisions 3 and 4, and by adding subdivisions; and Laws 1988, chapter 719, article 2, section 57; repealing Minnesota Statutes 1988, section 52.22.

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	Greenfield	Lieder	Orenstein	Segal
Anderson, R.	Gruenes	Limmer	Ostrom	Simoneau
Battaglia	Gutknecht	Long	Otis	Skoglund
Bauerly	Hartle	Lynch	Ozment	Solberg
Beard	Hasskamp	Macklin	Pappas	Sparby
Begich	Haukoos	Marsh	Pauly	Stanius
Bennett	Heap	McDonald	Pellow	Steensma
Bertram	Henry	McEachern	Pelowski	Sviggum
Bishop	Hugoson	McGuire	Peterson	Swenson
Blatz	Jacobs	McLaughlin	Poppenhagen	Tjornhom
Boo	Janezich	McPherson	Price	Tompkins
Burger	Jaros	Milbert	Pugh	Trimble
Carlson, D.	Jefferson	Miller	Quinn	Tunheim
Carlson, L.	Jennings	Morrison	Redalen	Uphus
Carruthers	Johnson, A.	Munger	Reding	Valento
Clark	Johnson, R.	Murphy	Rest	Vellenga
Conway	Johnson, V.	Nelson, C.	Rice	Wagenius
Cooper	Kahn	Nelson, K.	Richter	Waltman
Dauner	Kahis	Neuenschwander	Rodosovich	Weaver
Dawkins	Kelly	O'Connor	Rukavina	Welle
Dempsey	Kelso	Ogren	Runbeck	Wenzel
Dille	Kinkel	Olsen, S.	Sarna	Williams
Dorn	Knickerbocker	Olsen, E.	Schafer	Winter
Frederick	Kostohryz	Olson, K.	Scheid	Wynia
Frerichs	Krueger	Omann	Schreiber	Spk. Vanasek
Girard	Lasley	Onnen	Seaberg	

The bill was passed and its title agreed to.

### GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Vanasek in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 141 and 363 were recommended to pass.

H. F. No. 154 was recommended for progress until Thursday, February 23, 1989.

H. F. No. 247, the first engrossment, which it recommended to pass with the following amendment offered by Bauerly:

Page 2, line 25, delete "Levy amounts"

Page 2, delete line 26

Page 4, after line 33, insert "Levy amounts approved prior to the effective date of this act are validated."

On the motion of Krueger the report of the Committee of the Whole was adopted.

## MOTIONS AND RESOLUTIONS

O'Connor moved that the names of Price and Dawkins be added as authors on H. F. No. 2. The motion prevailed.

McLaughlin moved that the name of Olsen, S., be added as an author on H. F. No. 42. The motion prevailed.

Kahn moved that the name of Dawkins be added as an author on H. F. No. 356. The motion prevailed.

Kelso moved that the name of Lieder be stricken and the name of Richter be added as an author on H. F. No. 363. The motion prevailed.

Clark moved that the name of Boø be added as an author on H. F. No. 469. The motion prevailed.

Tjornhom moved that the name of Runbeck be added as an author on H. F. No. 488. The motion prevailed.

Kalis moved that the name of Olsen, S., be added as an author on H. F. No. 514. The motion prevailed.

Nelson, C., moved that the names of Tunheim and Sparby be added as authors on H. F. No. 521. The motion prevailed.

Scheid moved that the name of Olsen, S., be added as an author on H. F. No. 525. The motion prevailed.

Milbert moved that the name of Macklin be added as an author on H. F. No. 533. The motion prevailed.

Bauerly moved that the names of Bertram and Olsen, S., be added as authors on H. F. No. 536. The motion prevailed.

Orenstein moved that the names of Macklin and Milbert be added as authors on H. F. No. 537. The motion prevailed.

Pappas moved that H. F. No. 574 be recalled from the Committee on Governmental Operations and be re-referred to the Committee on Judiciary. The motion prevailed.

Bertram moved that H. F. No. 552 be recalled from the Committee on Governmental Operations and be re-referred to the Committee on Judiciary. The motion prevailed.

Munger moved that H. F. No. 573 be recalled from the Committee on Governmental Operations and be re-referred to the Committee on Environment and Natural Resources. The motion prevailed.

#### ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 2:30 p.m., Thursday, February 16, 1989. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Thursday, February 16, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION — 1989

## THIRTEENTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, FEBRUARY 16, 1989

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

Prayer was offered by the Reverend Stan Johnson of the Associated Church, Owatonna, Minnesota.

The roll was called and the following members were present:

Abrams	Frederick	Knickerbocker	Olson, K.	Schafer
Anderson, G.	Frerichs	Kostohryz	Omann	Scheid
Anderson, R.	Girard	Lasley	Onnen	Seaberg
Battaglia	Greenfield	Lieder	Orenstein	Segal
Bauerly	Gruenes	Limmer	Osthoff	Simoneau
Beard	Gutknecht	Long	Ostrom	Skoglund
Begich	Hartle	Lynch	Otis	Sparby
Bennett	Hasskamp	Macklin	Ozment	Stanius
Bertram	Haukoos	Marsh	Pappas	Steensma
Bishop	Heap	McDonald	Pauly	Sviggum
Blatz	Henry	McEachern	Pellow	Swenson
Boo	Himle	McGuire	Pelowski	Tjornhom
Brown	Hugoson	McLaughlin	Peterson	Tompkins
Burger	Jacobs	McPhetson	Poppenhagen	Trimble
Carlson, D.	Janezich	Milbert	Price	Tunheim
Carlson, L.	Jaros	Miller	Pugh	Uphus
Carruthers	Jefferson	Morrison	Quinn	Valento
Clark	Jennings	Munger	Redalen	Vellenga
Conway	Johnson, A.	Murphy	Reding	Wagenius
Cooper	Johnson, R.	Nelson, C.	Rest	Waltman
Dauner	Johnson, V.	Nelson, K.	Rice	Weaver
Dawkins	Kahn	Neuenschwander	Richter	Welle
Dempsey	Kalis	O'Connor	Rodosovich	Wenzel
Dille	Kelly	Ogren	Rukavina	Williams
Dorn	Kelso	Olsen, S.	Runbeck	Winter
Forsythe	Kinkel	Olson, E.	Sarna	Wynia
				Spk. Vanasek

A quorum was present.

Krueger, Schreiber and Solberg were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Skoglund moved that further reading of the Journal be dis-

pensed with and that the Journal be approved as corrected by the Chief Clerk. The motion prevailed.

#### REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 268, 326, 218 and 247 and S. F. Nos. 32 and 28 have been placed in the members' files.

#### REPORTS OF STANDING COMMITTEES

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

H. F. No. 175, A bill for an act relating to wild animals; requiring a permit to possess dangerous nondomesticated wild animals; proposing coding for new law in Minnesota Statutes, chapter 97A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [97A.043] [POSSESSION OF NONDOMESTICATED ANIMALS.]

Subdivision 1. [DEFINITION.] “Nondomesticated animals” means indigenous and nonindigenous animals that the commissioner determines cannot be domesticated to an extent that assures human safety, protects other animals, or assures protection of the environment. A nondomesticated animal does not include llama, the American bison, or other livestock raised for food purposes.

Subd. 2. [LIST PREPARED.] (a) The commissioner must, by order after public meetings and notice, prescribe a list of nondomesticated animal species. The list may be updated as necessary.

(b) The list must be provided and publicized by the commissioner to each county sheriff.

Subd. 3. [NOTIFICATION TO COUNTY SHERIFF] A person who possesses a nondomesticated animal must report the kind of animal and location to the sheriff of the county in which the nondomesticated animal resides.

Subd. 4. [REPORT EXEMPTIONS.] This section does not apply to:

(1) a publicly owned zoo or wildlife exhibit, privately owned traveling zoo or circus, or a pet shop;

(2) wildlife in captivity for public exhibition purposes that are required to have a permit under section 97A.041;

(3) animals kept in captivity at an educational or research institution; or

(4) animals that are lawfully possessed by license or permit under the game and fish laws.

Subd. 5: [PENALTY.] A person who fails to report a nondomesticated animal under subdivision 3 is guilty of a petty misdemeanor."

Amend the title as follows:

Page 1, line 2, delete "wild" and delete "a permit" and insert "notice"

Page 1, line 3, delete "wild"

With the recommendation that when so amended the bill pass.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 210, A bill for an act relating to counties; permitting counties to rent county-owned residences by less formal procedure; amending Minnesota Statutes 1988, section 373.01, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 22, after "except" insert "the lease of" and after "residence" insert "acquired for the furtherance of an approved capital improvement project"

Page 2, line 21, after "county" insert "or its agent" and after "residence" insert "acquired for the furtherance of an approved capital improvement project"

With the recommendation that when so amended the bill pass.

The report was adopted.

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

H. F. No. 264, A bill for an act relating to notaries public; increasing the period of time during which reappointments may be made; amending Minnesota Statutes 1988, section 359.02.

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

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 279, A bill for an act relating to local government; permitting bank letters of credit in lieu of certain bonds; proposing coding for new law in Minnesota Statutes, chapter 574.

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. 344, A bill for an act relating to environment; authorizing the pollution control agency to train certain persons involved with sewage treatment systems and to charge a training fee; appropriating money; amending Minnesota Statutes 1988, section 115.03, subdivision 1.

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

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 370, A bill for an act relating to law libraries; permitting fees to be set annually; amending Minnesota Statutes 1988, section 140.422, subdivision 4.

Reported the same back with the following amendments:

Page 1, delete section 2

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

The report was adopted.

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

H. F. No. 372, A bill for an act relating to the office of the secretary of state; providing for the preservation of land surveys; establishing time for the permanent microfilming of the surveys; appropriating money; amending Minnesota Statutes 1988, section 5.03.

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

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 175, 210, 264, 279 and 370 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Quinn, Jacobs and Carlson, D., introduced:

H. F. No. 619, A bill for an act relating to electric utilities; clarifying authority of public utilities commission to change boundaries of electric utility service areas; amending Minnesota Statutes 1988, section 216B.39, subdivisions 3, 5, and by adding a subdivision.

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

Kostohryz introduced:

H. F. No. 620, A bill for an act relating to crimes; repealing law regulating dance halls; repealing Minnesota Statutes 1988, sections 624.42 to 624.54.

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

Kelly, Morrison, Wynia, Vanasek and Anderson, G., introduced:

H. F. No. 621, A bill for an act relating to government operations; creating a drug abuse prevention resource council; providing for its membership, powers, and duties; appropriating money; amending Minnesota Statutes 1988, section 256.01, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 121; 144; and 152.

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

Milbert, Sarna, Pugh, Bennett and Pelowski introduced:

H. F. No. 622, A bill for an act relating to consumer protection; providing for enhanced civil penalties for deceptive acts targeted at senior citizens or vulnerable adults; providing factors a court may consider in determining to impose an enhanced civil penalty; providing that sums collected must be credited to the account of the state board on aging; amending Minnesota Statutes 1988, section 256.975, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 325F.

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

Olson, E.; Wenzel; Frerichs; Bauerly and Krueger introduced:

H. F. No. 623, A bill for an act relating to agriculture; appropriating money for farm and small business management programs at technical institutes.

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

Morrison, Sarna, Battaglia, Frerichs and Osthoff introduced:

H. F. No. 624, A bill for an act relating to commerce; regulating real estate appraisers; creating the real estate appraiser advisory board; providing for membership, compensation, powers, and duties; providing licensing and education requirements; regulating the issuance, renewal, suspension, and revocation of licenses; providing fees; prescribing penalties; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 82B.

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

Krueger, Wenzel, Bauerly, Bertram and Johnson, V., introduced:

H. F. No. 625, A bill for an act relating to education; expanding the milk in the schools program; appropriating money; amending Minnesota Statutes 1988, section 124.648.

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

Krueger, Cooper, Weaver, Kelso and Ozment introduced:

H. F. No. 626, A bill for an act relating to education; providing for annual appropriations of certain capital expenditure aids; making deficiency appropriations; proposing coding for new law in Minnesota Statutes, chapter 124.

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

Tunheim, Dauner, Hugoson, Kalis and Carlson, D., introduced:

H. F. No. 627, A bill for an act relating to motor carriers; exempting rear-end dump trucks operated by private agricultural carriers between point of production and point of processing from requirements for rear-end protection; amending Minnesota Statutes 1988, section 221.031, subdivision 2a.

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

Scheid, Osthoff, Kostohryz, Abrams and Boo introduced:

H. F. No. 628, A bill for an act relating to elections; authorizing the distribution of campaign material under certain conditions; proposing coding for new law in Minnesota Statutes, chapter 211B.

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

Scheid, Osthoff, Kostohryz, Sviggum and Boo introduced:

H. F. No. 629, A bill for an act relating to elections; providing a public subsidy for legislative candidates in special elections; amend-

ing Minnesota Statutes 1988, sections 10A.31, subdivision 5, and by adding a subdivision; and 10A.33.

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

Osthoff, Scheid, Kostohryz, Knickerbocker and Abrams introduced:

H. F. No. 630, A bill for an act relating to elections; changing or clarifying provisions governing absentee voting, mail elections, election day activities, ballots, canvassing, municipal elections, school district elections, voting systems, election contests, and financial reporting; amending Minnesota Statutes 1988, sections 204B.27, by adding a subdivision; 204B.40; 204B.46; 204C.06, subdivision 1; 204C.31, by adding a subdivision; 204C.36; 204C.361; 204D.08, subdivision 1; 204D.23, by adding a subdivision; 204D.27, subdivision 9; 205.16, by adding a subdivision; 205A.07, by adding a subdivision; 206.57, subdivision 1; 206.66; 206.90, subdivision 3; 209.021, subdivision 1; 211A.02, subdivision 1; 211A.05, subdivision 1; and 211B.11, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 202A; 203B; and 206.

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

Clark; Otis; Anderson, R., and McLaughlin introduced:

H. F. No. 631, A bill for an act relating to economic development; requiring a job impact statement of certain government units; providing prefeasibility study grants; requiring the legislative auditor to study economic development and training programs; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 268.

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

Nelson, K.; Otis; Vellenga; Rest and Ozment introduced:

H. F. No. 632, A bill for an act relating to education; proposing department of education initiatives in dropout prevention and youth community service; appropriating money; amending Minnesota Statutes 1988, sections 121.88, subdivisions 8 and 9; 123.39, by adding a subdivision; 124.223; 124.225; 124.271, by adding subdivisions; 126.22, subdivision 3; 126.23; 126.235; 275.125, subdivision 8; proposing coding for new law in Minnesota Statutes, chapter 125; repealing Minnesota Statutes 1988, section 124.271, subdivision 2b.

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

Lasley, Kalis, Lieder, Seaberg and Tunheim introduced:

H. F. No. 633, A bill for an act relating to motor vehicles; increasing and allocating fees and motor vehicle excise tax for dealer plates; restricting use of dealer plates; amending Minnesota Statutes 1988, section 168.27, subdivision 16.

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

Kelso, Carruthers, Rodosovich, Boo and Jefferson introduced:

H. F. No. 634, A bill for an act relating to health; health maintenance organizations; providing coverage for chiropractic care; amending Minnesota Statutes 1988, sections 62D.02, subdivision 7; 62D.102; and 62D.12, by adding a subdivision.

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

Simoneau, Bertram, Dorn, Boo and Otis introduced:

H. F. No. 635, A bill for an act relating to credit unions; clarifying requirements for credit unions to maintain reserve funds; allowing private insurance of member share and deposit accounts; amending Minnesota Statutes 1988, sections 52.17; subdivision 1; and 52.24, subdivisions 1 and 2.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Begich, Battaglia, Johnson, V.; Carlson, D., and Reding introduced:

H. F. No. 636, A bill for an act relating to wild animals; use of dogs in taking bear; amending Minnesota Statutes 1988, section 97B.205.

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

Krueger, Wenzel, Kostohryz, Pelowski and Schreiber introduced:

H. F. No. 637, A bill for an act relating to the military; enacting financial incentives for members of the national guard; creating cash bonus and tuition reimbursement programs; appropriating money; providing that the appropriations for the national guard cash bonus and tuition assistance programs are available until expended and that the appropriation for one program may be used for the other; amending Laws 1988, chapter 686, section 21.

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

Brown, Janezich, Bertram, Tjornhom and O'Connor introduced:

H. F. No. 638, A bill for an act relating to traffic regulations; requiring a urine or blood test to be administered even after a breath test has been administered to drivers involved in severe motor vehicle accidents while under the influence of a controlled substance or alcohol; amending Minnesota Statutes 1988, section 169.123, subdivision 2a.

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

Bauerly, Wenzel, Sparby and Bertram introduced:

H. F. No. 639, A bill for an act relating to agriculture; providing grants to pay a portion of the cost of federal crop insurance; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 17.

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

Milbert and Segal introduced:

H. F. No. 640, A bill for an act relating to taxation; providing a property tax refund if property taxes increase over ten percent from the previous year; amending Minnesota Statutes 1988, section 290A.04, subdivision 2h.

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

Kelly, Williams, Clark, Jefferson and McGuire introduced:

H. F. No. 641, A bill for an act relating to crimes; controlled substances; imposing a mandatory minimum sentence for certain felonies committed with an illegal weapon or a semi-automatic assault rifle; increasing the penalties for selling controlled substances to children and for selling or possessing controlled substances in a drug-free school zone; expanding the drug-free school zone to the area within 1,000 feet of a school; providing that public safety be considered by the sentencing guidelines commission in modifying the sentencing guidelines; lowering the threshold amounts of controlled substances required for forfeiture of vehicles and real property; requiring courts to order the forfeiture of property used in controlled substance offenses; amending Minnesota Statutes 1988, sections 244.09, subdivision 5; 609.11, by adding a subdivision; 609.5311, subdivision 3; 609.5314, subdivision 1; and 609.5315, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 152; repealing Minnesota Statutes 1988, section 152.15, subdivision 4a.

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

Milbert and Pugh introduced:

H. F. No. 642, A bill for an act relating to taxation; sales and use; exempting materials used and consumed in the production of certain taxable services; amending Minnesota Statutes 1988, section 297A.25, subdivision 9.

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

McEachern; Scheid; Bauerly; Olson, K., and Hartle introduced:

H. F. No. 643, A bill for an act relating to education; requiring school boards to report certain teacher discharges and resignations to the board of teaching; providing for immunity from liability; amending Minnesota Statutes 1988, section 125.09, by adding subdivisions.

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

Rukavina; McLaughlin; Johnson, R., and Carlson, D., introduced:

H. F. No. 644, A bill for an act relating to youth employment; directing the commissioner of jobs and training to provide transi-

tional services linking basic skills and remedial education to job training; appropriating money; amending Minnesota Statutes 1988, section 268.31.

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

Kahn introduced:

H. F. No. 645, A bill for an act relating to insurance; accident and health; requiring coverage for an electrolarynx in certain circumstances; amending Minnesota Statutes 1988, section 62E.06, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 62A.

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

McPherson; Hugoson; Olson, K.; Quinn and Heap introduced:

H. F. No. 646, A bill for an act relating to education; requiring secondary public schools to offer courses in family life education; requiring students to pass a family life education course before graduation; requiring all family life education instructors to be licensed by the board of teaching; proposing coding for new law in Minnesota Statutes, chapter 126.

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

Kahn, Kelly, Vellenga, Seaberg and Conway introduced:

H. F. No. 647, A bill for an act relating to crimes; prohibiting the intentional distribution of computer programs that are designed to destroy or modify computer software, computer data, or other property; imposing penalties; amending Minnesota Statutes 1988, sections 609.87, by adding subdivisions; and 609.88, subdivision 1.

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

Rukavina; Johnson, R.; Greenfield; Ogren and Carlson, D., introduced:

H. F. No. 648, A bill for an act relating to employment; providing training and employment for low-income seniors; creating a hospitality host older worker tourism promotion program; prescribing

duties for the commissioner of the department of jobs and training; proposing coding for new law in Minnesota Statutes, chapter 268.

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

Greenfield, Vellenga, Williams, Pugh and Gruenes introduced:

H. F. No. 649, A bill for an act relating to human services; authorizing the commissioner of human services to award a grant to a statewide parent self-help child abuse prevention organization; appropriating money.

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

Johnson, R., and Kinkel introduced:

H. F. No. 650, A bill for an act relating to human services; requiring the commissioner to pay for a percentage of certain services for access to medically necessary services; amending Minnesota Statutes 1988, section 256B.19, subdivision 1.

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

Blatz, Wagenius, Milbert, Abrams and Kelly introduced:

H. F. No. 651, A bill for an act relating to food; authorizing donation of certain food; limiting liability of food donors; proposing coding for new law in Minnesota Statutes, chapter 31.

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

Johnson, R.; Otis; Clark; Wynia and Ogren introduced:

H. F. No. 652, A bill for an act relating to employment; providing funding for the Bemidji Area Indian Employment Council; appropriating money.

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

Kahn; Carlson, D.; Battaglia; Miller and Osthoff introduced:

H. F. No. 653, A bill for an act relating to waters and watercraft safety; changing certain registration fees; amending Minnesota Statutes 1988, section 361.03, subdivision 3.

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

Nelson, K.; McEachern; Bauerly; Ozment and Vellenga introduced:

H. F. No. 654, A bill for an act relating to education; proposing a formula allowance and general education tax capacity rate for fiscal year 1991; amending Minnesota Statutes 1988, sections 124A.22, subdivision 2; and 124A.23, subdivision 1.

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

Lasley; Simoneau; Johnson, A.; Quinn and Lynch introduced:

H. F. No. 655, A bill for an act relating to state lands; authorizing sale of certain tax-forfeited lands that border public waters in Anoka county.

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

Tunheim; Johnson, R.; Clark and Ogren introduced:

H. F. No. 656, A bill for an act relating to human services; providing for full reimbursement to counties for human services programs for the Red Lake Indian Reservation; appropriating money.

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

Blatz, Janezich, Milbert, Weaver and Macklin introduced:

H. F. No. 657, A bill for an act relating to corrections; requiring the commissioner of corrections to incarcerate two persons in a cell when necessary; amending Minnesota Statutes 1988, section 243.53.

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

Swiggum, Begich, Beard, Sarna and Heap introduced:

H. F. No. 658, A bill for an act relating to workers' compensation; reducing the waiting period for workers' compensation claims; amending Minnesota Statutes 1988, section 176.121.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Swiggum, Redalen, Dauner, Waltman and Sparby introduced:

H. F. No. 659, A bill for an act relating to workers' compensation; changing the definition of family farm; amending Minnesota Statutes 1988, section 176.011, subdivision 11a.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Jennings, Munger, Johnson, R., and Ozment introduced:

H. F. No. 660, A bill for an act relating to natural resources; changing certain provisions relating to the acquisition, disposition, and exchange of state lands; amending Minnesota Statutes 1988, sections 84.0272; 84.0274, by adding a subdivision; 94.09, subdivision 2; and 94.342, subdivision 3.

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

Kahn, Greenfield, Vellenga, Ostrom and Dille introduced:

H. F. No. 661, A bill for an act relating to pollution; regulating the disposal of infectious and pathological wastes; providing for penalties for violation; appropriating money; amending Minnesota Statutes, section 609.671, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 116.

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

Olson, E.; Johnson, R.; Kinkel; Steensma and Kahn introduced:

H. F. No. 662, A bill for an act relating to state parks; promoting

the 100th anniversary of the state park system; appropriating money.

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

Jefferson, Long, Sarna, McLaughlin and Otis introduced:

H. F. No. 663, A bill for an act relating to the city of Minneapolis; excluding certain employees from public employees retirement association membership; amending Laws 1980, chapter 595, section 2, subdivision 4.

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

McLaughlin, Long, Wagenius, Skoglund and Otis introduced:

H. F. No. 664, A bill for an act relating to local government; providing for the appointment of certain employees of the city of Minneapolis and special school district No. 1; amending Laws 1969, chapter 937, section 1, subdivision 9, as amended.

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

Greenfield, Long, Sarna, McLaughlin and Otis introduced:

H. F. No. 665, A bill for an act relating to intoxicating liquor; authorizing an on-sale liquor license for the Minneapolis convention center; repealing Laws 1973, chapter 505.

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

Lasley, Peterson, Bauerly and Carlson, D., introduced:

H. F. No. 666, A bill for an act relating to libraries; increasing regional public library basic support grants for certain regional systems; appropriating money; amending Minnesota Statutes 1988, section 134.35, by adding a subdivision.

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

Jefferson, Trimble, Greenfield, Vellenga and Blatz introduced:

H. F. No. 667, A bill for an act relating to human services; requiring the commissioner to establish or designate pilot programs in Hennepin and Ramsey counties for chemical dependency services for youths; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 254A.

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

Jefferson, Simoneau, Sarna and Clark introduced:

H. F. No. 668, A bill for an act relating to retirement; defining members of the contributing class in the Minneapolis employees retirement fund; amending Minnesota Statutes 1988, section 422A.09, subdivision 2.

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

Jefferson, Trimble, Battaglia, Sarna and Bennett introduced:

H. F. No. 669, A bill for an act relating to telephones; regulating residential consumer sales solicitation by use of the telephone; proposing coding for new law in Minnesota Statutes, chapter 325G.

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

Carruthers, Kelly, Vellenga, Weaver and Dempsey introduced:

H. F. No. 670, A bill for an act relating to public defender system; updating law governing public defenders; repealing obsolete law governing public defenders; requiring a person requesting appointment of a public defender to submit a financial statement to the court; raising the limits for payment for expert services; amending Minnesota Statutes 1988, sections 611.17; 611.21; and 611.215, subdivision 2; repealing Minnesota Statutes 1988, sections 611.07; 611.071; and 611.25, subdivision 2.

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

Olson, K.; Jennings and Osthoff introduced:

H. F. No. 671, A bill for an act relating to veterans; providing for

establishment of a veterans home in Windom; proposing coding for new law in Minnesota Statutes, chapter 198.

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

Kelly, Scheid, Welle, Blatz and Carruthers introduced:

H. F. No. 672, A bill for an act relating to crime; increasing penalties for criminal vehicular operation; amending Minnesota Statutes 1988, section 609.21.

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

Carruthers, Wagenius, Vellenga, Greenfield and Seaberg introduced:

H. F. No. 673, A bill for an act relating to crime; sentencing; increasing the minimum parole eligibility date for persons serving a life sentence for first degree murder; permitting courts to sentence certain dangerous offenders and career criminals to longer periods of incarceration; providing an earlier effective date for increases in lengths of presumptive prison sentences and in criminal history points for violent offenses under the sentencing guidelines; disapproving action of sentencing guidelines commission in modifying method of computing criminal history scores for certain offenses; increasing statutory maximum sentences for the crimes of failure to report an accident, failure to use a drug stamp, possessing explosives, restraint of trade, manslaughter in the second degree, assault, child abuse, manslaughter of an unborn child, assault of an unborn child, criminal sexual conduct in the fourth degree, perjury, fleeing a peace officer, negligently causing a fire, and bribery; amending Minnesota Statutes 1988, sections 169.09, subdivision 14; 244.05, subdivision 4; 297D.09, subdivision 1a; 299F.80, subdivision 1; 325D.56, subdivision 2; 609.205; 609.221; 609.222; 609.223; 609.2231, subdivision 1; 609.255, subdivision 3; 609.2665; 609.267; 609.323, subdivision 1; 609.345, subdivision 2; 609.377; 609.445; 609.48, subdivision 4; 609.487, subdivision 4; 609.576; 609.62, subdivision 2; and 609.86, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 244 and 609.

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

Ogren, Munger, Boo, Murphy and Jaros introduced:

H. F. No. 674, A bill for an act relating to the environment;

appropriating money for the Western Lake Superior Sanitary District; authorizing sale of state bonds.

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

Scheid, Kelly, Blatz, Osthoff and Milbert introduced:

H. F. No. 675, A bill for an act relating to education; exempting employment by a school district from certain requirements relating to employment of rehabilitated criminal offenders; amending Minnesota Statutes 1988, section 364.09.

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

Ogren, Scheid, Osthoff and Ostrom introduced:

H. F. No. 676, A bill for an act relating to elections; limiting campaign expenditures by certain congressional candidates; providing a public campaign subsidy for certain congressional candidates; imposing penalties; appropriating money; amending Minnesota Statutes 1988, section 10A.30, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 10B.

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

McEachern; Bauerly; Nelson, K.; Olson, K., and Hartle introduced:

H. F. No. 677, A bill for an act relating to education; providing revenue for school districts to operate a youth service program; providing post-secondary educational benefits for students participating in youth service programs; appropriating money; amending Minnesota Statutes 1988, section 121.88, subdivision 9; proposing coding for new law in Minnesota Statutes, chapters 124; 135A; and 136A.

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

Blatz, Pugh, Carruthers, Henry and Himle introduced:

H. F. No. 678, A bill for an act relating to data privacy; classifying financial information submitted by applicants to licensing agencies

as private; amending Minnesota Statutes 1988, section 13.41, subdivision 2.

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

Jennings, Battaglia, Morrison, Stanius and Pauly introduced:

H. F. No. 679, A bill for an act relating to cities; removing an annexation provision; repealing Minnesota Statutes 1988, section 414.061, subdivision 5.

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

Jennings; Battaglia; Munger; Carlson, D., and Anderson, R., introduced:

H. F. No. 680, A bill for an act relating to waters; appropriating money for stream maintenance.

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

Uphus, Krueger, Welle and Bauerly introduced:

H. F. No. 681, A bill for an act relating to education; appropriating money to the regents of the University of Minnesota for operating expenses at the Herman Rosholt research farm.

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

Johnson, V.; Kahn; Trimble; Pelowski and Carlson, D., introduced:

H. F. No. 682, A bill for an act relating to appropriations; continuing funding for programs to control the spread of purple loosestrife; appropriating money.

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

Tunheim; Bertram; Olson, E., and Schafer introduced:

H. F. No. 683, A bill for an act relating to education; appropriating money for grants for telecommunications networks.

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

Johnson, V.; Schafer; Richter; McPherson and Dille introduced:

H. F. No. 684, A bill for an act relating to workers' compensation; changing the definition of family farm; amending Minnesota Statutes 1988, section 176.011, subdivision 11a.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Miller; Nelson, C.; Beard; Olson, K., and Macklin introduced:

H. F. No. 685, A bill for an act relating to education; requiring one hour of instruction per year related to the United States flag; amending Minnesota Statutes 1988, section 126.14, by adding a subdivision.

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

Omann, Bauerly, Uphus and Girard introduced:

H. F. No. 686, A bill for an act relating to workers' compensation; changing the definition of family farm; amending Minnesota Statutes 1988, section 176.011, subdivision 11a.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Wagenius, Vellenga, Greenfield, Blatz and Kelso introduced:

H. F. No. 687, A bill for an act relating to juvenile court; expanding the definition of child in need of protection or services; expanding the child hearsay exception to include statements regarding the abuse or neglect of another child witnessed by the child making the statement; clarifying the authority of the court to order the temporary removal of a child due to immediate endangerment; amending Minnesota Statutes 1988, sections 260.015, subdivision 2a; 260.156; and 260.172, subdivision 1.

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

Valento and McGuire introduced:

H. F. No. 688, A bill for an act relating to the city of Roseville; authorizing the city to use certain taxes to establish and operate a sports and recreation facility.

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

Reding introduced:

H. F. No. 689, A bill for an act relating to retirement; local police and salaried firefighters relief associations; specifying the employment position salary for benefit and postretirement increase calculations for fire departments converted to a volunteer fire department; clarifying various ambiguous provisions; amending Minnesota Statutes 1988, section 423A.01, subdivision 2.

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

Reding and Rukavina introduced:

H. F. No. 690, A bill for an act relating to state employees; prohibiting further hiring of state employees in the metropolitan area except for those approved by the commissioner of employee relations; limiting the termination of state employees in nonmetropolitan areas; requiring state agencies to prepare a plan to decentralize employment; amending Minnesota Statutes 1988, section 43A.02, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 43A.

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

Kelso, Trimble, Carruthers, Pauly and Abrams introduced:

H. F. No. 691, A bill for an act relating to municipal planning; authorizing municipalities to require the dedication of a reasonable portion of a proposed subdivision for use for fire service; amending Minnesota Statutes 1988, section 462.358, subdivision 2b.

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

Simoneau, Bertram, Dorn, Rodosovich and Boo introduced:

H. F. No. 692, A bill for an act relating to state government; state employees; permitting direct deposit of pay in credit unions; amending Minnesota Statutes 1988, section 16A.133, subdivision 1; repealing Minnesota Statutes 1988, section 16A.133, subdivision 3.

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

Carlson, D., introduced:

H. F. No. 693, A bill for an act relating to animals; requiring landlords to allow elderly tenants to keep certain pets; proposing coding for new law in Minnesota Statutes, chapter 504.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Carlson, D., introduced:

H. F. No. 694, A bill for an act relating to taxation; sales and use; imposing a tax on billboard rental; amending Minnesota Statutes 1988, section 297A.01, subdivision 3.

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

Carlson, D., introduced:

H. F. No. 695, A bill for an act relating to education; reducing the Askov school board from seven to six members; requiring local approval.

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

Brown; Johnson, A.; Frerichs; Anderson, G., and Kalis introduced:

H. F. No. 696, A bill for an act relating to transportation; authorizing special permits for 110-foot combinations of four vehicles to operate, with restrictions, on interstate highways; setting permit fees; providing for designation of interchanges, streets, highways, and rest areas; requiring a study and report to the legislature; appropriating money; amending Minnesota Statutes 1988, sections 169.81, subdivision 2; and 169.86, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 169.

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

Rukavina and Simoneau introduced:

H. F. No. 697, A bill for an act relating to state government; implementing reorganization orders concerning the charitable gambling control board and the waste management board; amending Minnesota Statutes, sections 15A.081, subdivision 1; 41A.066, subdivision 1; 43A.08, subdivision 1a; 115A.03, subdivision 3, and by adding a subdivision; 115A.06; 115A.07; 115A.072; 115A.075; 115A.08; 115A.09; 115A.10; 115A.11; 115A.12, subdivision 1; 115A.14, subdivision 4; 115A.152, subdivisions 1 and 3; 115A.154, subdivision 1; 115A.156; 115A.158; 115A.159; 115A.162; 115A.165; 115A.191, subdivisions 1 and 2; 115A.22, subdivisions 4 and 5; 115A.34; 115A.411, subdivision 1; 115A.42; 115A.45; 115A.46, subdivision 1; 115A.48; 115A.49; 115A.51; 115A.52; 115A.53; 115A.54, subdivisions 2, 2a, and 3; 115A.541; 115A.57, subdivision 2; 115A.58, subdivisions 1 and 2; 115A.59; 115A.63; 115A.64; 115A.66; 115A.67; 115A.68; 115A.71, subdivision 1; 115A.72; 115A.84, subdivision 3; 115A.86, subdivision 2; 115A.90, subdivision 2; 115A.902, subdivisions 1 and 3; 115A.906; 115A.912; 115A.913; 115A.914; 115A.9162; 115A.917; 115A.97, subdivisions 5 and 6; 115A.98, subdivision 3; 116.07, subdivision 4b; 116.101; 116C.03, subdivision 2; 216C.36, subdivision 8a; 349.12, by adding a subdivision; 349.151, subdivisions 4 and 4a; 349.161, subdivisions 7 and 8; 349.162, subdivisions 1, 2, and 4; 349.163, subdivision 1; 349.164, subdivision 5; 349.17, subdivision 4; 349.18, subdivisions 1 and 2; 349.19, subdivisions 1, 4, 5, 6, and 7; 349.20; 473.149, subdivision 4; 473.811, subdivision 7; 477A.012, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 115A and 349; repealing Minnesota Statutes 1988, sections 115A.04; 115A.05; 115A.06, subdivision 14; and 349.151, subdivision 5.

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

### CONSENT CALENDAR

H. F. No. 218, A bill for an act relating to motor vehicles; defining terms; including station wagon and certain passenger-carrying vans as passenger automobiles for all purposes; providing for registration of certain vehicles; amending Minnesota Statutes 1988, sections 65B.001, subdivision 3; 65B.43, subdivision 12; 116.60, subdivision 7; 168.011, subdivisions 7, and 28; 168.012, subdivision 1; 168.017, subdivision 1; 168.12, subdivisions 2b and 2c; 168.124, subdivision 5; 168.125, subdivision 1; and 168.126, subdivision 2; repealing Minnesota Statutes 1988, sections 168.011, subdivision 23; and 168.101, 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 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kostohryz	Omann	Scheid
Anderson, G.	Girard	Lasley	Onnen	Seaberg
Anderson, R.	Greenfield	Lieder	Orenstein	Segal
Battaglia	Gruenes	Limmer	Osthoff	Simoneau
Bauerly	Gutknecht	Long	Ostrom	Skoglund
Beard	Hartle	Lynch	Otis	Sparby
Begich	Hasskamp	Macklin	Ozment	Stanius
Bennett	Haukoos	Marsh	Pappas	Steensma
Bertram	Heap	McDonald	Pauly	Sviggum
Bishop	Henry	McEachern	Pellow	Swenson
Blatz	Himle	McGuire	Pelowski	Tjornhom
Boo	Hugoson	McLaughlin	Peterson	Tompkins
Brown	Jacobs	McPherson	Poppenhagen	Trimble
Burger	Janezich	Milbert	Price	Tunheim
Carlson, D.	Jaros	Miller	Pugh	Uphus
Carlson, L.	Jefferson	Morrison	Quinn	Valento
Carruthers	Jennings	Munger	Redalen	Vellenga
Clark	Johnson, A.	Murphy	Reding	Wagenius
Conway	Johnson, R.	Nelson, C.	Rest	Waitman
Cooper	Johnson, V.	Nelson, K.	Rice	Weaver
Dauner	Kahn	Neuenschwander	Richter	Welle
Dawkins	Kalis	O'Connor	Rodosovich	Wenzel
Dempsey	Kelly	Ogren	Rukavina	Williams
Dille	Kelso	Olsen, S.	Runbeck	Winter
Dorn	Kinkel	Olson, E.	Sarna	Wynia
Forsythe	Knickerbocker	Olson, K.	Schafer	Spk. Vanasek

The bill was passed and its title agreed to.

## CALENDAR

H. F. No. 141, A bill for an act relating to education; correcting, clarifying, and changing certain education statutes; amending Minnesota Statutes 1988, sections 120.062, subdivisions 1 and 12; 120.075, subdivision 5; 120.0751, subdivision 6; 120.0752, subdivision 4; 121.88, subdivision 10; 121.904, subdivision 4a; 121.912, subdivision 1; 123.3515, subdivision 9; 123.36, subdivision 13; 123.705, subdivision 1; 124.155, subdivision 2; 124.214, subdivisions 2 and 3; 124.225, subdivisions 1, 4b, 7a, 7b, 8a, 8b, 8i, 8j, 8k, 8l, 10, and by adding a subdivision; 124.2445; 124.245, subdivision 6; 124.575, subdivision 1; 124A.24; 126.22, subdivisions 2 and 3; and 275.125, subdivisions 5b, 5c, 5e, 9, and 11d; Laws 1987, chapter 398, article 6, section 19, subdivision 9.

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

The question was taken on the passage of the bill and the roll was called. There were 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Lasley	Onnen	Skoglund
Anderson, G.	Girard	Lieder	Orenstein	Sparby
Anderson, R.	Greenfield	Limmer	Osthoff	Stanius
Battaglia	Gruenes	Long	Ostrom	Steensma
Bauerly	Gutknecht	Lynch	Otis	Sviggum
Beard	Hartle	Macklin	Pauly	Swenson
Begich	Hasskamp	McDonald	Fellow	Tjornhom
Bennett	Haukoos	McEachern	Pelowski	Tompkins
Bertram	Heap	McGuire	Poppenhagen	Trimble
Bishop	Henry	McLaughlin	Price	Tunheim
Blatz	Himle	McPherson	Pugh	Uphus
Boo	Jacobs	Milbert	Quinn	Valento
Brown	Janezich	Miller	Redalen	Vellenga
Burger	Jaros	Morrison	Rest	Wagenius
Carlson, L.	Jefferson	Munger	Rice	Waltman
Carruthers	Johnson, A.	Murphy	Richter	Weaver
Clark	Johnson, R.	Nelson, C.	Rodosovich	Welle
Conway	Johnson, V.	Nelson, K.	Rukavina	Wenzel
Dauner	Kahn	Neuenschwander	Runbeck	Williams
Dawkins	Kalis	O'Connor	Sarna	Winter
Dempsey	Kelly	Ogren	Schafer	Wynia
Dille	Kelso	Olsen, S.	Scheid	Spk. Vanasek
Dorn	Kinkel	Olson, E.	Seaberg	
Forsythe	Knickerbocker	Olson, K.	Segal	
Frederick	Kostohryz	Omann	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 247, A bill for an act relating to education; clarifying the referendum levy language; creating a conversion method; amending Minnesota Statutes 1988, sections 124.82, subdivision 3; and 124A.03.

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

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

Those who voted in the affirmative were:

Abrams	Carlson, L.	Girard	Jefferson	Lieder
Anderson, G.	Carruthers	Greenfield	Jennings	Limmer
Anderson, R.	Clark	Gruenes	Johnson, A.	Long
Bauerly	Conway	Gutknecht	Johnson, R.	Lynch
Beard	Cooper	Hartle	Johnson, V.	Macklin
Begich	Dauner	Hasskamp	Kahn	Marsh
Bennett	Dawkins	Haukoos	Kalis	McDonald
Bertram	Dempsey	Heap	Kelly	McEachern
Bishop	Dille	Henry	Kelso	McGuire
Blatz	Dorn	Himle	Kinkel	McLaughlin
Boo	Forsythe	Jacobs	Knickerbocker	McPherson
Brown	Frederick	Janezich	Kostohryz	Milbert
Burger	Frerichs	Jaros	Lasley	Miller

Morrison	Orenstein	Reding	Skoglund	Wagenius
Munger	Osthoff	Rest	Sparby	Waltman
Murphy	Ostrom	Rice	Stanius	Weaver
Nelson, C.	Otis	Richter	Steensma	Welle
Nelson, K.	Pauly	Rodosovich	Sviggum	Wenzel
Neuenschwander	Pellow	Rukavina	Swenson	Williams
O'Connor	Pelowski	Runbeck	Tjornhom	Winter
Ogren	Peterson	Sarna	Tompkins	Wynia
Olsen, S.	Poppenhagen	Schafer	Trimble	Spk. Vanasek
Olson, E.	Price	Scheid	Tunheim	
Olson, K.	Pugh	Seaberg	Uphus	
Omamm	Quinn	Segal	Valento	
Onnen	Redalen	Simoneau	Vellenga	

The bill was passed and its title agreed to.

H. F. No. 363, A resolution memorializing the President and Congress of the United States to prevent the imposition of any additional federal excise tax on motor fuel in order to reduce the federal deficit.

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 114 yeas and 13 nays as follows:

Those who voted in the affirmative were:

Abrams	Forsythe	Kostohryz	Olson, K.	Runbeck
Anderson, G.	Frederick	Lasley	Omamm	Sarna
Anderson, R.	Frerichs	Lieder	Onnen	Schafer
Battaglia	Girard	Limmer	Orenstein	Scheid
Bauerly	Gruenes	Lynch	Ostrom	Simoneau
Beard	Gutknecht	Macklin	Otis	Sparby
Begich	Hartle	Marsh	Ozment	Stanius
Bennett	Hasskamp	McDonald	Pappas	Steensma
Bertram	Haukoos	McEachern	Pauly	Sviggum
Bishop	Heap	McGuire	Pellow	Swenson
Blatz	Henry	McPherson	Pelowski	Tjornhom
Boo	Himle	Milbert	Peterson	Tompkins
Brown	Hugoson	Miller	Poppenhagen	Tunheim
Burger	Jacobs	Morrison	Price	Uphus
Carlson, D.	Janezich	Munger	Pugh	Valento
Carlson, L.	Jennings	Murphy	Quinn	Waltman
Carruthers	Johnson, A.	Nelson, C.	Redalen	Weaver
Conway	Johnson, R.	Nelson, K.	Reding	Welle
Cooper	Johnson, V.	Neuenschwander	Rest	Wenzel
Dauner	Kalis	O'Connor	Rice	Williams
Dempsey	Kelso	Ogren	Richter	Winter
Dille	Kinkel	Olsen, S.	Rodosovich	Spk. Vanasek
Dorn	Knickerbocker	Olson, E.	Rukavina	

Those who voted in the negative were:

Clark	Jaros	Kelly	Skoglund	Wynia
Dawkins	Jefferson	Long	Trimble	
Greenfield	Kahn	Osthoff	Wagenius	

The bill was passed and its title agreed to.

Redalen was excused at 5:00 p.m. Olson, K., was excused at 5:45 p.m.

**GENERAL ORDERS**

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Vanasek in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

**REPORT OF THE COMMITTEE OF THE WHOLE**

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. No. 326 was recommended to pass.

H. F. No. 268 was recommended for progress.

S. F. No. 28, the unofficial engrossment, which it recommended to pass with the following amendments:

Offered by Bishop:

Page 3, line 10, after "nor" insert "the"

Page 7, after line 5, insert:

"STATE OF .....

.....

COUNTY OF .....

Subscribed, sworn to, and acknowledged before me by .....  
on this ..... day of ..... 19 .....

.....

NOTARY PUBLIC

OR"

Offered by Wenzel:

Page 10, line 36, delete "probable to a reasonable degree" and insert "possible"

Page 11, line 1, delete "of medical certainty"

Stanius offered an amendment to S. F. No. 28, the unofficial engrossment, as amended.

Bishop requested a division of the Stanius amendment.

The first portion of the Stanius amendment was adopted as follows:

Page 3, line 22, after "executed" insert "after August 1, 1989,"

Page 3, line 22, delete "may" and insert "must"

Page 3, line 22, after "be" insert "substantially"

The second portion of the Stanius amendment, as amended by the Olsen, S., amendment was adopted, as follows:

Page 11, line 11, delete "may be"

Page 11, delete lines 12 and 13 and insert "is an effective declaration under this chapter."

Offered by Dempsey:

Page 10, line 17, before "If" insert "Subdivision 1."

Page 10, after line 22, insert:

"Subd. 2. Nothing in this chapter shall be construed to authorize or justify the withholding or withdrawal of artificially administered nutrition or hydration from any person who has not issued a declaration or designated a proxy under this chapter."

Offered by Kelly:

Page 2, line 27, after "artificial" insert "administration of"

Page 2, line 30, after "regarding" delete "administration" and insert "the administering"

Page 2, line 30, delete "artificial" and insert "artificially administered"

Page 2, line 34, after "regarding" insert "artificial"

Page 2, line 35, delete "artificial"

Page 3, line 2, delete "artificial"

Page 3, line 2, after "hydration" insert "artificially"

Page 3, line 3, after the period, insert "However, the mere existence of a declaration or appointment of a proxy does not, by itself, create a presumption that the declarant wanted the withholding or withdrawing of artificially administered nutrition or hydration."

Offered by Bishop:

Page 11, line 17, before "complies" insert "substantially"

On the motion of Wynia the report of the Committee of the Whole was adopted.

#### ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

Hasskamp moved to amend S.F. No. 28, the unofficial engrossment, as amended, as follows:

Page 2, delete lines 10 to 12 and insert "any condition that results from an illness or injury and that will cause the death of the person in a reasonably short period of time even with the provision of health care and sustenance."

Page 2, before line 13, insert:

"Subd. 9. [SUSTENANCE.] "Sustenance" means any form of nutrition necessary to sustain life other than that provided by hyperalimentation and any form of hydration necessary to sustain life."

Page 3, line 34, after the period insert “It will not permit the withholding or withdrawing of artificially provided sustenance from you unless you specifically authorize this with the understanding that your death by dehydration or malnutrition might result.”

Page 4, line 6, after the period insert “The proxy does not have the authority to direct withholding or withdrawing of artificially provided sustenance from you unless you specifically empower the proxy with the authority to do so with the stated understanding that your death by malnutrition or dehydration might result.”

Page 5, delete lines 28 to 36

Page 6, delete lines 1 and 2 and insert:

“(6) I understand that if I refuse artificially provided sustenance, food, and fluids necessary to sustain my life, then I may die of dehydration or malnutrition rather than from my terminal condition. Nevertheless, I hereby direct that artificially provided sustenance should be withheld or withdrawn from me if I have a terminal condition. (This provision must be separately signed for it to be effective.) Signed, .....

Page 6, after line 35, insert:

“I understand that if I empower my proxy to refuse for me artificially provided sustenance, food, and fluids necessary to sustain my life, then I may die of dehydration or malnutrition rather than from my terminal condition. Nevertheless, I hereby empower my proxy with the authority to direct that artificially provided sustenance may be withheld or withdrawn from me if I have a terminal condition. (This provision must be separately signed for it to be effective.) Signed, .....

Page 8, line 9, after “promptly” insert “notify the patient’s proxy and document the notification in the patient’s medical record or, if no proxy is appointed,”

Page 8, line 11, after the period insert “After notification, if a proxy fails to transfer to a different physician or provider, then the physician or provider has no duty to transfer the patient unless transfer is necessary to secure health care, sustenance, or comfort care for the declarant.

(c) If a physician or other health care provider receives a declaration that applies to a presently incompetent person and if the physician or other health care provider is at any time unwilling to comply with the declaration, then the physician or other health care provider must promptly notify the appointed proxy and document the notification in the declarant’s medical record. If there is no proxy

or if after notification the proxy fails to transfer to a different physician or health care provider, then the physician or provider has no duty to transfer the patient unless transfer is necessary to secure health care, sustenance, or comfort care for the declarant. No health care provider shall be required to participate in withholding or withdrawing of sustenance if, in the reasonable judgment of the health care provider, death from dehydration or malnutrition could result."

The question was taken on the Hasskamp amendment and the roll was called. There were 60 yeas and 71 nays as follows:

Those who voted in the affirmative were:

Battaglia	Hasskamp	Macklin	Pellow	Stanius
Bauerly	Haukoos	Marsh	Peterson	Steensma
Begich	Heap	McDonald	Poppenhagen	Sviggum
Bennett	Henry	McEachern	Pugh	Swenson
Bertram	Hugoson	McPherson	Quinn	Tjornhom
Blatz	Jacobs	Milbert	Rice	Tompkins
Burger	Johnson, V.	Miller	Richter	Uphus
Carlson, D.	Kalis	Murphy	Runbeck	Valento
Dauner	Kelso	O'Connor	Sarna	Waltman
Dempsey	Kinkel	Omann	Schafer	Weaver
Girard	Limmer	Onnen	Seaberg	Wenzel
Gruenes	Lynch	Ozment	Sparby	Winter

Those who voted in the negative were:

Abrams	Dorn	Kahn	Ogren	Rest
Anderson, G.	Forsythe	Kelly	Olsen, S.	Rodosovich
Anderson, R.	Frederick	Knickerbocker	Olsen, E.	Rukavina
Beard	Frerichs	Kostohryz	Olsen, K.	Scheid
Bishop	Greenfield	Lasley	Orenstein	Segal
Boo	Gutknecht	Lieder	Osthoff	Simoneau
Brown	Hartle	Long	Ostrom	Skoglund
Carlson, L.	Himle	McGuire	Otis	Trimble
Carruthers	Janezich	McLaughlin	Pappas	Tunheim
Clark	Jaros	Morrison	Pauly	Vellenga
Conway	Jefferson	Munger	Pelowski	Wagenius
Cooper	Jennings	Nelson, C.	Price	Welle
Dawkins	Johnson, A.	Nelson, K.	Redalen	Williams
Dille	Johnson, R.	Neuenschwander	Reding	Wynia
				Spk. Vanasek

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

Wenzel moved to amend S. F. No. 28, the unofficial engrossment, as amended, as follows:

Page 10, line 36, delete "probable to a reasonable degree" and insert "possible"

Page 11, line 1, delete "of medical certainty"

The question was taken on the Wenzel amendment and the roll was called. There were 71 yeas and 58 nays as follows:

Those who voted in the affirmative were:

Battaglia	Haukoos	Lynch	Onnen	Seaberg
Bauerly	Heap	Macklin	Ozment	Sparby
Beard	Henry	Marsh	Pauly	Stanius
Begich	Hugoson	McDonald	Pellow	Steensma
Bennett	Jacobs	McEachern	Pelowski	Sviggun
Bertram	Johnson, R.	McPherson	Peterson	Swenson
Blatz	Johnson, V.	Milbert	Poppenhagen	Tjornhom
Brown	Kalis	Miller	Pugh	Tompkins
Cooper	Kelly	Morrison	Quinn	Uphus
Dempsey	Kelso	Murphy	Rice	Valento
Girard	Kinkel	Neuenschwander	Richter	Waltman
Gruenes	Knickerbocker	O'Connor	Runbeck	Weaver
Gutknecht	Lasley	Olsen, S.	Sarna	Welle
Hasskamp	Limmer	Omann	Schafer	Wenzel
				Winter

Those who voted in the negative were:

Abrams	Dawkins	Jennings	Olson, K.	Segal
Anderson, G.	Dille	Johnson, A.	Orenstein	Simoneau
Anderson, R.	Dorn	Kahn	Osthoff	Skoglund
Bishop	Forsythe	Kostohryz	Ostrom	Trimble
Boo	Frederick	Lieder	Otis	Tunheim
Burger	Frerichs	Long	Pappas	Vellenga
Carlson, D.	Greenfield	McGuire	Price	Wagenius
Carlson, L.	Hartle	McLaughlin	Reding	Williams
Carruthers	Himle	Munger	Rest	Wynia
Clark	Janezich	Nelson, C.	Rodosovich	Spk. Vanasek
Conway	Jaros	Nelson, K.	Rukavina	
Dauner	Jefferson	Olson, E.	Scheid	

The motion prevailed and the amendment was adopted.

Stanius offered an amendment to S. F. No. 28, the unofficial engrossment, as amended.

Bishop requested a division of the Stanius amendment.

The first portion of the Stanius amendment to S. F. No. 28, the unofficial engrossment, as amended, reads as follows:

Page 3, line 22, after “executed” insert “after August 1, 1989,”

Page 3, line 22, delete “may” and insert “must”

Page 3, line 22, after “be” insert “substantially”

The question was taken on the first portion of the Stanius amendment and the roll was called. There were 69 yeas and 60 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Kinkel	Olsen, S.	Spardy
Anderson, R.	Girard	Kostohryz	Omann	Stanius
Battaglia	Gruenes	Lasley	Onnen	Steensma
Bauerly	Hasskamp	Limmer	Ozment	Sviggum
Beard	Haukoos	Lynch	Pauly	Tjornhom
Begich	Heap	Macklin	Pellow	Tompkins
Bennett	Henry	Marsh	Pugh	Tunheim
Bertram	Himle	McDonald	Quinn	Uphus
Blatz	Hugoson	McEachern	Rice	Valento
Burger	Jacobs	McPherson	Richter	Waltman
Carlson, D.	Johnson, A.	Milbert	Runbeck	Wenzel
Dauner	Johnson, R.	Miller	Sarna	Winter
Dempsey	Johnson, V.	Murphy	Schafer	Spk. Vanasek
Dorn	Kalis	O'Connor	Seaberg	

Those who voted in the negative were:

Anderson, G.	Frederick	Long	Osthoff	Scheid
Bishop	Greenfield	McGuire	Ostrom	Segal
Boo	Gutknecht	McLaughlin	Otis	Simoneau
Brown	Hartle	Morrison	Pappas	Skoglund
Carlson, L.	Janezich	Munger	Pelowski	Swenson
Carruthers	Jaros	Nelson, C.	Peterson	Trimble
Clark	Jefferson	Nelson, K.	Poppenhagen	Vellenga
Conway	Jennings	Neuenschwander	Price	Wagenius
Cooper	Kahn	Ogren	Reding	Weaver
Dawkins	Kelly	Olson, E.	Rest	Welle
Dille	Knickerbocker	Olson, K.	Rodosovich	Williams
Forsythe	Lieder	Orenstein	Rukavina	Wynia

The motion prevailed and the first portion of the Stanius amendment was adopted.

Dempsey moved to amend S. F. No. 28, the unofficial engrossment, as amended, as follows:

Page 10, line 17, before "If" insert "Subdivision 1."

Page 10, after line 22, insert:

"Subd. 2. Nothing in this chapter shall be construed to authorize or justify the withholding or withdrawal of artificially administered nutrition or hydration from any person who has not issued a declaration or designated a proxy under this chapter."

The question was taken on the Dempsey amendment and the roll was called. There were 101 yeas and 25 nays as follows:

Those who voted in the affirmative were:

Abrams	Blatz	Dauner	Gruenes	Hugoson
Anderson, R.	Boo	Dempsey	Gutknecht	Jacobs
Battaglia	Brown	Dille	Hartle	Janezich
Bauerly	Burger	Dorn	Hasskamp	Jaros
Beard	Carlson, D.	Forsythe	Haukoos	Johnson, A.
Begich	Carlson, L.	Frederick	Heap	Johnson, R.
Bennett	Conway	Frerichs	Henry	Johnson, V.
Bertram	Cooper	Girard	Himle	Kalis

Kinkel	Milbert	Otis	Rukavina	Tunheim
Knickerbocker	Miller	Ozment	Runbeck	Uphus
Lasley	Morrison	Pauly	Sarna	Valento
Lieder	Munger	Pellow	Schafer	Waltman
Limmer	Murphy	Pelowski	Scheid	Weaver
Lynch	Neuenschwander	Peterson	Seaberg	Welle
Macklin	O'Connor	Poppenhagen	Sparby	Wenzel
Marsh	Ogren	Price	Stanius	Winter
McDonald	Olsen, S.	Pugh	Steensma	Spk. Vanasek
McEachern	Olsen, E.	Quinn	Sviggum	
McGuire	Omann	Rest	Swenson	
McLaughlin	Onnen	Rice	Tjornhom	
McPherson	Ostrom	Richter	Tompkins	

Those who voted in the negative were:

Anderson, G.	Greenfield	Long	Pappas	Trimble
Bishop	Jefferson	Nelson, C.	Reding	Vellenga
Carruthers	Jennings	Nelson, K.	Rodosovich	Wagenius
Clark	Kahn	Olson, K.	Segal	Williams
Dawkins	Kostohryz	Orenstein	Skoglund	Wynia

The motion prevailed and the amendment was adopted.

Bishop moved to amend S. F. No. 28, the unofficial engrossment, as amended, as follows:

Page 9, after line 23, insert:

“Sec. 10. [145B.10] [LIABILITY.]

Subdivision 1. [COMPLIANCE WITH DECLARATION.] A physician or other health care provider is not criminally or civilly liable for acts or omissions that are related to a health care decision within the limits of reasonable medical practice and other applicable law if:

(1) the physician or other health care provider believed in good faith were authorized by the declaration; and

(2) it is documented in the declarant's medical record that, at the time of the health care decision, the declarant was informed and involved in making the decision to the fullest extent of the declarant's capabilities and the declarant did not object to the health care decision.

Subd. 2. [COMPLIANCE WITH PROXY DECISION.] A health care provider is not criminally or civilly liable within the limits of reasonable medical practice and other applicable law for following the instructions of a proxy named in a declaration if:

(1) the decision is made by a proxy who the health care provider believes in good faith is authorized under this chapter to make the decision; and

(2) the health care provider believes in good faith that the decision is consistent with desires the declarant expresses in the declaration or otherwise makes known to the health care provider."

Renumber the remaining sections and correct internal references accordingly

The question was taken on the Bishop amendment and the roll was called. There were 41 yeas and 82 nays as follows:

Those who voted in the affirmative were:

Abrams	Dille	Knickerbocker	Otis	Vellenga
Anderson, G.	Forsythe	Long	Pappas	Wagenius
Anderson, R.	Frerichs	McLaughlin	Pellow	Waltman
Bennett	Greenfield	Nelson, C.	Rest	Welle
Bishop	Hartle	Nelson, K.	Seaberg	Wynia
Burger	Jaros	Ogren	Segal	
Carlson, D.	Jefferson	Orenstein	Simoneau	
Carruthers	Jennings	Osthoff	Skoglund	
Dawkins	Kahn	Ostrom	Sviggun	

Those who voted in the negative were:

Battaglia	Haukoos	Limmer	Onnen	Stanius
Bauerly	Heap	Lynch	Ozment	Steensma
Beard	Henry	Macklin	Pauly	Swenson
Begich	Himle	Marsh	Pelowski	Tjornhom
Bertram	Hugoson	McDonald	Peterson	Tompkins
Blatz	Jacobs	McEachern	Poppenhagen	Trimble
Boo	Janezich	McGuire	Price	Tunheim
Carlson, L.	Johnson, A.	McPherson	Pugh	Uphus
Conway	Johnson, R.	Milbert	Quinn	Valento
Cooper	Johnson, V.	Miller	Rice	Weaver
Dauter	Kalis	Murphy	Richter	Wenzel
Dempsey	Kelly	Neuenschwander	Rodosovich	Williams
Dorn	Kelso	O'Connor	Rukavina	Winter
Frederick	Kinkel	Olsen, S.	Runbeck	Spk. Vanasek
Girard	Kostohryz	Olson, E.	Sarna	
Gruenes	Lasley	Olson, K.	Schafer	
Hasskamp	Lieder	Omamm	Sparby	

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

Dempsey moved to amend S. F. No. 28, the unofficial engrossment, as amended, as follows:

Page 2, line 16, delete "may include, but are not" and insert "shall include the designation of a proxy. The declaration may include, but is not"

Page 3, delete line 36

Page 4, line 1, delete "agrees" and insert "(b) The proxy must agree" and delete the comma and insert a period.

Page 4, delete lines 4 to 6.

The question was taken on the Dempsey amendment and the roll was called. There were 51 yeas and 75 nays as follows:

Those who voted in the affirmative were:

Battaglia	Heap	Marsh	Poppenhagen	Tjornhom
Bauerly	Henry	McDonald	Quinn	Tompkins
Begich	Hugoson	McEachern	Rice	Uphus
Bennett	Jacobs	McPherson	Richter	Valento
Bertram	Johnson, V.	Miller	Sarna	Waltman
Dempsey	Kalis	O'Connor	Schafer	Wenzel
Girard	Kelso	Omann	Sparby	Winter
Gruenes	Kinkel	Onnen	Stanius	
Gutknecht	Limmer	Ozment	Steensma	
Hasskamp	Lynch	Pellow	Sviggum	
Haukoos	Macklin	Peterson	Swenson	

Those who voted in the negative were:

Abrams	Dauner	Johnson, R.	Ogren	Runbeck
Anderson, G.	Dawkins	Kahn	Olsen, S.	Scheid
Anderson, R.	Dille	Kelly	Olson, E.	Seaberg
Beard	Dorn	Knickerbocker	Orenstein	Segal
Bishop	Forsythe	Kostohryz	Osthoff	Simoneau
Blatz	Frederick	Lasley	Ostrom	Skoglund
Boo	Frerichs	Lieder	Otis	Trimble
Brown	Greenfield	Long	Pappas	Tunheim
Burger	Hartle	McGuire	Pauly	Vellenga
Carlson, D.	Himle	McLaughlin	Pelowski	Wagenius
Carlson, L.	Janezich	Morrison	Price	Weaver
Carruthers	Jaros	Murphy	Reding	Welle
Clark	Jefferson	Nelson, C.	Rest	Williams
Conway	Jennings	Nelson, K.	Rodosovich	Wynia
Cooper	Johnson, A.	Neuenschwander	Rukavina	Spk. Vanasek

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

The question was taken on the motion to recommend passage of S. F. No. 28, the unofficial engrossment, as amended, and the roll was called. There were 97 yeas and 32 nays as follows:

Those who voted in the affirmative were:

Abrams	Carlson, D.	Forsythe	Hugoson	Kelly
Anderson, G.	Carlson, L.	Frederick	Jacobs	Kinkel
Anderson, R.	Carruthers	Frerichs	Janezich	Knickerbocker
Beard	Clark	Greenfield	Jaros	Kostohryz
Bennett	Conway	Gutknecht	Jefferson	Lasley
Bishop	Cooper	Hartle	Jennings	Lieder
Blatz	Dauner	Haukoos	Johnson, A.	Limmer
Boo	Dawkins	Heap	Johnson, R.	Long
Brown	Dille	Henry	Johnson, V.	Macklin
Burger	Dorn	Himle	Kahn	McDonald

McGuire	Olsen, S.	Pelowski	Segal	Wagenius
McLaughlin	Olsen, E.	Peterson	Simoneau	Waltman
Miller	Orenstein	Poppenhagen	Skoglund	Weaver
Morrison	Osthoff	Price	Stanuis	Welle
Munger	Ostrom	Reding	Sviggum	Williams
Nelson, C.	Otis	Rest	Swenson	Wynia
Nelson, K.	Ozment	Rukavina	Trimble	Spk. Vanasek
Neuenschwander	Pappas	Schafer	Tunheim	
O'Connor	Pauly	Scheid	Valento	
Ogren	Pellow	Seaberg	Vellenga	

Those who voted in the negative were:

Battaglia	Hasskamp	Milbert	Richter	Tompkins
Bauerly	Kalis	Murphy	Rodosovich	Uphus
Begich	Kelso	Omann	Runbeck	Wenzel
Bertram	Lynch	Onnen	Sarna	Winter
Dempsey	Marsh	Pugh	Sparby	
Girard	McEachern	Quinn	Steensma	
Gruenes	McPherson	Rice	Tjornhom	

The motion prevailed.

## MOTIONS AND RESOLUTIONS

Winter moved that his name be stricken as an author on H. F. No. 31. The motion prevailed.

Tunheim moved that the name of Abrams be added as an author on H. F. No. 72. The motion prevailed.

Lasley moved that the name of Tjornhom be added as an author on H. F. No. 154. The motion prevailed.

Skoglund moved that the name of Carruthers be added as an author on H. F. No. 162. The motion prevailed.

Olsen, S., moved that the name of Forsythe be added as an author on H. F. No. 441. The motion prevailed.

Gutknecht moved that the name of Morrison be added as an author on H. F. No. 468. The motion prevailed.

Dempsey moved that the name of Macklin be added as an author on H. F. No. 480. The motion prevailed.

Solberg moved that the names of Bauerly; Johnson, R., and Carlson, D., be added as authors on H. F. No. 516. The motion prevailed.

Reding moved that the name of Macklin be added as an author on H. F. No. 558. The motion prevailed.

Uphus moved that the name of Waltman be added as an author on H. F. No. 560. The motion prevailed.

Bertram moved that the names of Haukoos and Wenzel be added as authors on H. F. No. 563. The motion prevailed.

Pappas moved that the name of Greenfield be added as an author on H. F. No. 566. The motion prevailed.

Neuenschwander moved that the names of Carlson, D.; Jennings; Sparby and Solberg be added as authors on H. F. No. 573. The motion prevailed.

Kalis moved that the name of Trimble be added as an author on H. F. No. 575. The motion prevailed.

Winter moved that the name of Wenzel be added as an author on H. F. No. 580. The motion prevailed.

Stanis moved that the name of Boo be added as an author on H. F. No. 599. The motion prevailed.

Stanis moved that the name of Valento be added as an author on H. F. No. 600. The motion prevailed.

Pelowski moved that the names of Lasley, Burger and Macklin be added as authors on H. F. No. 607. The motion prevailed.

Kostohryz moved that H. F. No. 554 be recalled from the Committee on Governmental Operations and be re-referred to the Committee on General Legislation, Veterans Affairs and Gaming. The motion prevailed.

#### ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 2:30 p.m., Monday, February 20, 1989. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Monday, February 20, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION—1989

## FOURTEENTH DAY

SAINT PAUL, MINNESOTA, MONDAY, FEBRUARY 20, 1989

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

Prayer was offered by the Reverend Scott Larsen from the Gustavus Adolphus Church, Foley, Minnesota and Gethsemane Lutheran Church of Oak Park, Minnesota.

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

The roll was called and the following members were present:

Abrams	Frerichs	Krueger	Onnen	Seaberg
Anderson, G.	Girard	Lasley	Orenstein	Segal
Anderson, R.	Greenfield	Lieder	Osthoff	Simoneau
Battaglia	Gruenes	Limmer	Ostrom	Skoglund
Bauerly	Gutknecht	Long	Otis	Sparby
Beard	Hartle	Lynch	Ozment	Stanius
Begich	Hasskamp	Macklin	Pappas	Steensma
Bennett	Haukoos	Marsh	Pauly	Sviggum
Bertram	Heap	McDonald	Pellow	Swenson
Bishop	Henry	McEachern	Pelowski	Tjornhom
Blatz	Himle	McGuire	Peterson	Tompkins
Boo	Hugoson	McLaughlin	Poppenhagen	Trimble
Brown	Jacobs	McPherson	Price	Tunheim
Burger	Janezich	Milbert	Pugh	Uphus
Carlson, D.	Jaros	Miller	Quinn	Valento
Carlson, L.	Jefferson	Morrison	Redalen	Vellenga
Carruthers	Jennings	Munger	Reding	Wagenius
Clark	Johnson, A.	Murphy	Rest	Waltman
Conway	Johnson, R.	Nelson, C.	Rice	Weaver
Cooper	Johnson, V.	Nelson, K.	Richter	Welle
Dauner	Kahn	Neuenschwander	Rodosovich	Wenzel
Dawkins	Kalis	O'Connor	Rukavina	Williams
Dempsey	Kelly	Ogren	Runbeck	Winter
Dille	Kelso	Olsen, S.	Sarna	Wynia
Dorn	Kinkel	Olson, E.	Schafer	Spk. Vanasek
Forsythe	Knickerbocker	Olson, K.	Scheid	
Frederick	Kostohryz	Omann	Schreiber	

A quorum was present.

Solberg was excused.

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

Pursuant to Rules of the House, printed copies of H. F. Nos. 264, 279, 175, 210 and 370 and S. F. No. 28 have been placed in the members' files.

#### REPORTS OF STANDING COMMITTEES

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

H. F. No. 65, A bill for an act relating to economic development; authorizing local jurisdictions involved in economic development to participate in secondary markets; proposing coding for new law in Minnesota Statutes, chapter 465.

Reported the same back with the following amendments:

Page 1, line 9, before "A" insert "Notwithstanding any home rule charter provision, charter law, or any other law, general or specific, and without regard to any requirements, restrictions, procedures, limitations, or other provisions contained in any such home rule charter, charter law, or any other law, general or specific,"

Page 1, after line 17, insert:

"Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day after final enactment."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Local Government and Metropolitan Affairs.

The report was adopted.

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

H. F. No. 104, A bill for an act relating to local government; creating the Kandiyohi county rural development finance authority;

authorizing the establishment of a development and redevelopment program and the authorization of powers for it.

Reported the same back with the following amendments:

Page 1, line 14, delete "chapter 462,"

Page 1, line 15, delete "and"

Page 2, after line 4, insert:

"Subd. 2. [COUNTY AUTHORITY.] For purposes of applying the powers granted in subdivision 1 to the Kandiyohi county rural development finance authority to Kandiyohi county, the county may exercise the powers of a city relating to a municipal housing and redevelopment authority granted by Minnesota Statutes, sections 469.001 to 469.047, or other law, and the powers relating to an economic development authority granted to a city by Minnesota Statutes, sections 469.090 to 469.108, or other law."

Page 2, line 5, delete "2" and insert "3"

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 Local Government and Metropolitan Affairs to which was referred:

H. F. No. 148, A bill for an act relating to Washington county; permitting the county board to establish certain payment procedures.

Reported the same back with the following amendments:

Page 1, after line 11, insert:

"Sec. 2. [ANOKA COUNTY; PAYMENTS.]

The Anoka county board may provide procedures for the payment of all or any class of county obligations by the county auditor without presentation to the board. The procedures shall include regular and frequent review of the auditor's action by the board. This section supersedes any inconsistent provision of other law.

Sec. 3. [DAKOTA COUNTY; PAYMENTS.]

The Dakota county board may provide procedures for the payment

of all or any class of county obligations by the county administrator without presentation to the board. The procedures shall include regular and frequent review of the administrator's actions by the board. This section supersedes any inconsistent provision of other law."

Page 1, line 13, delete "This act" and insert "Section 1"

Page 1, line 15, after the period insert "Section 2 is in effect the day after the Anoka county board complies with Minnesota Statutes, section 645.021, subdivision 3. Section 3 is in effect the day after the Dakota county board complies with Minnesota Statutes, section 645.021, subdivision 3."

Renumber the remaining section

Amend the title as follows:

Page 1, line 2, delete "Washington county" and insert "local government"

Page 1, lines 2 and 3, delete "county board" and insert "counties of Washington, Anoka, and Dakota"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 166, A bill for an act relating to transportation; providing that certain information submitted to department of transportation is public data; defining terms; providing for limousine registration; exempting certain special transportation service providers holding current certificate of compliance from motor carrier regulations; delineating requirements of carriers to display certain information; providing for permits of special passenger carriers and household goods carriers; providing for operation under motor carrier permit on death of holder; providing for amount of insurance, bond, or other security required of motor carriers; giving commissioner of transportation subpoena power for certain enforcement purposes; amending Minnesota Statutes 1988, sections 13.72, by adding a subdivision; 168.011, subdivision 35; 168.128, subdivision 2; 174.30, subdivision 6; 221.011, subdivisions 16, 20, and by adding a subdivision; 221.031, subdivision 6; 221.111; 221.121, subdivision 6a; 221.141, subdivision 1b; and 221.221, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 221.

Reported the same back with the following amendments:

Pages 1 and 2, delete section 1 and insert:

“Section 1. Minnesota Statutes 1988, section 13.72, is amended by adding a subdivision to read:

Subd. 6. [COMPLAINT DATA.] Names of complainants, complaint letters, and other unsolicited data furnished to the department of transportation by a person other than the data subject or department employee, which provides information that a person who is subject to chapter 221 or rules adopted under that chapter may not be in compliance with those requirements, is classified as confidential data or protected nonpublic data.

Sec. 2. Minnesota Statutes 1988, section 13.72, is amended by adding a subdivision to read:

Subd. 7. [PUBLIC INVESTIGATIVE DATA.] The following data created, collected, or maintained about persons subject to chapter 221 and rules adopted under that chapter are public: data contained in inspection and compliance forms and data contained in audit reports that are not prepared under contract to the federal highway administration.

Sec. 3. [65B.135] [LIMOUSINE INSURANCE.]

An insurer who provides insurance for limousines, defined in section 168.011, subdivision 35, shall provide insurance in a minimum aggregate amount of \$300,000 per accident for each limousine covered.”

Page 2, line 5, strike “van” and insert “passenger-carrying van-type vehicle”

Page 2, line 18, before the period insert “, and certification by the owner that an insurance policy in an aggregate amount of \$300,000 per accident is in effect for the entire period of the registration under section 3”

Page 3, line 22, after the second “driver” insert “under the terms of the motor vehicle lease”

Page 4, line 7, after “airport,” insert “and”

Page 4, line 9, delete everything after “basis” and insert a new period

Page 4, delete lines 10 and 11

Page 5, line 4, delete everything after the period

Page 5, delete lines 5 and 6

Page 5, line 7, delete "transportation."

Page 6, delete lines 12 to 31 and insert:

"This section governs the transfer of a permit in the event of the death of the permit holder. Within one year after the transfer of a permit of a deceased permit holder by the deceased permit holder's personal representative, or within one year after the date of a decree or order issued by the probate court transferring the permit of a deceased permit holder, the distributee, as defined in section 524.1-201, who received the permit shall apply to the board to have the permit transferred under the provisions of section 221.151, subdivision 2.

If an application to transfer the permit is not filed within the time prescribed above, the permit is revoked and the commissioner shall so notify the person who had received the permit."

Page 7, delete lines 15 to 26 and insert:

"Sec. 15. Minnesota Statutes 1988, section 221.141, is amended by adding a subdivision to read:

Subd. 4. [IRREGULAR ROUTE CARRIERS OF HOUSEHOLD GOODS.] An irregular route common carrier of household goods shall maintain in effect cargo insurance or cargo bond in the amount of \$50,000 and shall file with the commissioner a cargo certificate of insurance or cargo bond. A cargo certificate of insurance must conform to Form H, Uniform Motor Cargo Certificate of Insurance, described in Code of Federal Regulations, title 49, part 1023. A cargo bond must conform to Form J, described in Code of Federal Regulations, title 49, part 1023. Both Form H and Form J are incorporated by reference. The cargo certificate of insurance or cargo bond must be issued in the full and correct name of the person, corporation, or partnership to whom the irregular route common carrier of households goods permit was issued and whose operations are being insured. A carrier that was issued a permit as an irregular route common carrier of household goods before the effective date of this section shall obtain and file a cargo certificate of insurance or bond within 90 days of the effective date of this section.

Sec. 16. Minnesota Statutes 1988, section 221.60, is amended by adding a subdivision to read:

Subd. 3a. [FAILURE TO MAINTAIN INSURANCE.] If a carrier fails to maintain and file with the commissioner the insurance or

bond required by section 221.141 and the rules of the commissioner, the commissioner shall suspend and cancel the carrier's interstate registration according to the procedure in section 221.185, subdivisions 2, paragraph (a) and paragraph (b), clause (I); and 3. If the carrier fails to comply with section 221.141 within 45 days of the date of suspension, the commissioner shall cancel the carrier's interstate registration until the carrier files and maintains insurance as required by section 221.141 and rules of the commissioner. The commissioner shall notify the carrier of the cancellation."

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 15, after the semicolon insert "providing for suspension of registration of interstate authority for failure to maintain insurance;"

Page 1, line 17, delete "a subdivision" and insert "subdivisions"

Page 1, line 21, after "1b" insert ", and by adding a subdivision" and delete "221.221" and insert "221.60"

Page 1, line 23, delete "chapter" and insert "chapters 65B and"

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

The report was adopted.

Long from the Committee on Taxes to which was referred:

H. F. No. 214, A bill for an act relating to taxation; making technical corrections and clarifications to individual income and corporate franchise taxes; updating references to the Internal Revenue Code; imposing a tax and providing for withholding of certain payments to nonresidents; requiring surety payment by out-of-state contractors; amending Minnesota Statutes 1988, sections 290.01, subdivisions 4, 7, 19, 19a, 19b, 19c, 19d, 19e, and 19f; 290.06, subdivision 22; 290.067, subdivision 1; 290.0802, subdivision 2; 290.095, subdivision 9; 290.17, subdivision 1; 290.92, by adding subdivisions; and 291.005, subdivision 1; proposing coding for new law in chapter 290; repealing Minnesota Statutes 1988, section 290.01, subdivision 6a.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 290.01, subdivision 4, is amended to read:

Subd. 4. [CORPORATION.] The term “corporation” shall include every entity which is a corporation under section 7701(a)(3) or is treated as a corporation under section 851(g) 851(h) or 7704 of the Internal Revenue Code of 1986, as amended through December 31, 1987 1988, and financial institutions. A corporation’s franchise is its authorization to exist and conduct business, whether created by legislation, by executive order, by a governmental agency, by contract or other private action, or by some combination thereof. Every corporation is deemed to have a corporate franchise. An entity described in section 646(b) of the Tax Reform Act of 1986, Public Law Number 99-514, as amended by section 1006(k) of the Technical and Miscellaneous Revenue Act of 1988, Public Law Number 100-647, shall be classified in the same manner for purposes of this chapter as it is for federal income tax purposes.

Sec. 2. Minnesota Statutes 1988, section 290.01, subdivision 7, is amended to read:

Subd. 7. [RESIDENT.] The term “resident” means (1) any individual domiciled in Minnesota, except that an individual is not a “resident” for the period of time that the individual is a “qualified individual” as defined in section 911(d)(1) of the Internal Revenue Code of 1986, as amended through December 31, 1987, unless, during that period, a Minnesota homestead application is filed for property in which the individual has an interest; and (2) any individual domiciled outside the state who maintains a place of abode in the state and spends in the aggregate more than one-half of the tax year in Minnesota, unless the individual or the spouse of the individual is in the armed forces of the United States, or the individual is covered under the reciprocity provisions in section 290.081.

For purposes of this subdivision, presence within the state for any part of a calendar day constitutes a day spent in the state. Individuals shall keep adequate records to substantiate the days spent outside the state.

The term “abode” means a dwelling maintained by an individual, whether or not owned by the individual and whether or not occupied by the individual, and includes a dwelling place owned or leased by the individual’s spouse.

Sec. 3. Minnesota Statutes 1988, section 290.01, subdivision 19, is amended to read:

Subd. 19. [NET INCOME.] The term "net income" means the federal taxable income, as defined in section 63 of the Internal Revenue Code of 1986, as amended through the date named in this subdivision, incorporating any elections made by the taxpayer in accordance with the Internal Revenue Code in determining federal taxable income for federal income tax purposes, and with the modifications provided in subdivisions 19a to 19f.

In the case of a regulated investment company or a fund thereof, as defined in section 851(a) or ~~851(q)~~ 851(h) of the Internal Revenue Code, federal taxable income means investment company taxable income as defined in section 852(b)(2) of the Internal Revenue Code, except that:

(1) the exclusion of net capital gain provided in section 852(b)(2)(A) of the Internal Revenue Code does not apply; and

(2) the deduction for dividends paid under section 852(b)(2)(D) of the Internal Revenue Code must be applied by allowing a deduction for capital gain dividends and exempt-interest dividends as defined in sections 852(b)(3)(C) and 852(b)(5) of the Internal Revenue Code.

The Internal Revenue Code of 1986, as amended through December 31, 1986, shall be in effect for taxable years beginning after December 31, 1986. The provisions of sections 10104, 10202, 10203, 10204, 10206, 10212, 10221, 10222, 10223, 10226, 10227, 10228, 10611, 10631, 10632, and 10711 of the Omnibus Budget Reconciliation Act of 1987, Public Law Number 100-203, and the provisions of sections 1001, 1002, 1003, 1004, 1005, 1006, 1008, 1009, 1010, 1011, 1011A, 1011B, 1012, 1013, 1014, 1015, 1018, 2004, 3041, 4009, 6007, 6026, 6032, 6137, 6277, and 6282 of the Technical and Miscellaneous Revenue Act of 1988, Public Law Number 100-647, shall be effective at the time they become effective for federal income tax purposes.

The Internal Revenue Code of 1986, as amended through December 31, 1987, shall be in effect for taxable years beginning after December 31, 1987. The provisions of sections 4001, 4002, 4011, 5021, 5041, 5053, 5075, 6003, 6008, 6011, 6030, 6031, 6033, 6057, 6064, 6066, 6079, 6130, 6176, 6180, 6182, 6280, and 6281 of the Technical and Miscellaneous Revenue Act of 1988, Public Law Number 100-647, shall become effective at the time they become effective for federal tax purposes.

The Internal Revenue Code of 1986, as amended through December 31, 1988, shall be in effect for taxable years beginning after December 31, 1988.

Except as otherwise provided, references to the Internal Revenue Code in subdivisions 19a to ~~19f~~ 19g mean the code in effect for purposes of determining net income for the applicable year.

Sec. 4. Minnesota Statutes 1988, section 290.01, subdivision 19a, is amended to read:

Subd. 19a. [ADDITIONS TO FEDERAL TAXABLE INCOME.] For individuals, estates, and trusts, there shall be added to federal taxable income:

(1)(i) interest income on obligations of any state other than Minnesota or a political or governmental subdivision, municipality, or governmental agency or instrumentality of any state other than Minnesota exempt from federal income taxes under the Internal Revenue Code or any other federal statute, and

(ii) exempt-interest dividends as defined in section 852(b)(5) of the Internal Revenue Code of 1986, except the portion of the exempt-interest dividends derived from interest income on obligations of the state of Minnesota or its political or governmental subdivisions, municipalities, governmental agencies or instrumentalities, but only if the portion of the exempt-interest dividends from such Minnesota sources paid to all shareholders represents 95 percent or more of the exempt-interest dividends that are paid by the regulated investment company as defined in section 851(a) of the Internal Revenue Code of 1986, or the fund of the regulated investment company as defined in section 851(q) 851(h) of the Internal Revenue Code of 1986, making the payment; and

(2) the amount of income taxes paid or accrued within the taxable year under this chapter and income taxes paid to any other state or to any province or territory of Canada, to the extent allowed as a deduction under section 63(d) of the Internal Revenue Code, but the addition may not be more than the amount by which the itemized deductions as allowed under section 63(d) of the Internal Revenue Code exceeds the amount of the standard deduction as defined in section 63(c) of the Internal Revenue Code; and

(3) the capital gain amount of a lump sum distribution to which the special tax under section 1122(h)(3)(B)(ii) of the Tax Reform Act of 1986, Public Law Number 99-514, applies;

(4) expenses, interest, and taxes connected with or allocable against the production or receipt of income not included in the measure of the tax imposed by this chapter; and

(5) if an election is made under section 1(i)(7) of the Internal Revenue Code, the income of the parent included under section 1(i)(7)(B)(i) of the Internal Revenue Code shall be increased by the amount of the child's unearned income in excess of \$500, except that the amount of this increase shall not exceed \$500.

Sec. 5. Minnesota Statutes 1988, section 290.01, subdivision 19b, is amended to read:

Subd. 19b. [SUBTRACTIONS FROM FEDERAL TAXABLE INCOME.] For individuals, estates, and trusts, there shall be subtracted from federal taxable income:

(1) interest income on obligations of any authority, commission, or instrumentality of the United States to the extent includable in taxable income for federal income tax purposes but exempt from state income tax under the laws of the United States;

(2) if included in federal taxable income, the amount of any overpayment of income tax to Minnesota or to any other state, for any previous taxable year, whether the amount is received as a refund or as a credit to another taxable year's income tax liability;

(3) the amount paid to others not to exceed \$650 for each dependent in grades kindergarten to 6 and \$1,000 for each dependent in grades 7 to 12, for tuition, textbooks, and transportation of each dependent in attending an elementary or secondary school situated in Minnesota, North Dakota, South Dakota, Iowa, or Wisconsin, wherein a resident of this state may legally fulfill the state's compulsory attendance laws, which is not operated for profit, and which adheres to the provisions of the Civil Rights Act of 1964 and chapter 363. As used in this clause, "textbooks" includes books and other instructional materials and equipment used in elementary and secondary schools in teaching only those subjects legally and commonly taught in public elementary and secondary schools in this state. "Textbooks" does not include instructional books and materials used in the teaching of religious tenets, doctrines, or worship, the purpose of which is to instill such tenets, doctrines, or worship, nor does it include books or materials for, or transportation to, extracurricular activities including sporting events, musical or dramatic events, speech activities, driver's education, or similar programs. In order to qualify for the subtraction under this clause the taxpayer must elect to itemize deductions under section 63(e) of the Internal Revenue Code of 1986, as amended through December 31, 1987;

(4) to the extent included in federal taxable income, distributions from a qualified governmental pension plan, an individual retirement account, simplified employee pension, or qualified plan covering a self-employed person that represent a return of contributions that were included in Minnesota gross income in the taxable year for which the contributions were made but were deducted or were not included in the computation of federal adjusted gross income. The distribution shall be allocated first to return of contributions until the contributions included in Minnesota gross income have been exhausted. This subtraction applies only to contributions made in a taxable year prior to 1985;

(5) income as provided under section 290.0802; ~~and~~

(6) the amount of unrecovered accelerated cost recovery system deductions allowed under subdivision 19g; ~~and~~

(7) to the extent included in federal adjusted gross income, income realized on disposition of property exempt from tax under section 290.491.

Sec. 6. Minnesota Statutes 1988, section 290.01, subdivision 19c, is amended to read:

Subd. 19c. [CORPORATIONS; ADDITIONS TO FEDERAL TAXABLE INCOME.] For corporations, there shall be added to federal taxable income:

(1) the amount of any deduction taken for federal income tax purposes for income, excise, or franchise taxes based on net income or related minimum taxes paid by the corporation to Minnesota, another state, a political subdivision of another state, the District of Columbia, or any foreign country or possession of the United States;

(2) interest not subject to federal tax upon obligations of: the United States, its possessions, its agencies, or its instrumentalities; the state of Minnesota or any other state, any of its political or governmental subdivisions, any of its municipalities, or any of its governmental agencies or instrumentalities; or the District of Columbia;

(3) exempt-interest dividends received as defined in section 852(b)(5) of the Internal Revenue Code of 1986, as amended through December 31, 1987;

(4) the amount of any windfall profits tax deducted under section 164 or 471 of the Internal Revenue Code of 1986, as amended through December 31, 1987;

(5) the amount of any net operating loss deduction taken for federal income tax purposes under section 172 of the Internal Revenue Code of 1986, as amended through December 31, 1987;

(6) the amount of any special deductions taken for federal income tax purposes under sections 241 to 247 of the Internal Revenue Code of 1986, as amended through December 31, 1987;

(7) losses from the business of mining, as defined in section 290.05, subdivision 1, clause (a), that are not subject to Minnesota income tax;

(8) the amount of any capital losses deducted for federal income tax purposes under sections 1211 and 1212 of the Internal Revenue Code of 1986, as amended through December 31, 1987;

(9) the amount of any charitable contributions deducted for federal income tax purposes under section 170 of the Internal Revenue Code of 1986, as amended through December 31, 1987;

(10) the exempt foreign trade income of a foreign sales corporation under sections 921(a) and 291 of the Internal Revenue Code of 1986, as amended through December 31, 1987;

(11) the amount of percentage depletion deducted under sections 611 through 614 and 291 of the Internal Revenue Code of 1986, as amended through December 31, 1987;

(12) for certified pollution control facilities placed in service in a taxable year beginning before December 31, 1986, and for which amortization deductions were elected under section 169 of the Internal Revenue Code of 1954, as amended through December 31, 1985, the amount of the amortization deduction allowed in computing federal taxable income for those facilities; and

(13) the amount of any deemed dividend from a foreign operating corporation determined pursuant to section 290.17, subdivision 4, paragraph (g).

Sec. 7. Minnesota Statutes 1988, section 290.01, subdivision 19d, is amended to read:

Subd. 19d. [CORPORATIONS; MODIFICATIONS DECREASING FEDERAL TAXABLE INCOME.] For corporations, there shall be subtracted from federal taxable income after the increases provided in subdivision 19c:

(1) the amount of foreign dividend gross-up added to gross income for federal income tax purposes under section 78 of the Internal Revenue Code;

(2) the decrease in salary expense for federal income tax purposes due to claiming the federal jobs credit under section 51 of the Internal Revenue Code;

(3) any dividend (not including any distribution in liquidation) paid within the taxable year by a national or state bank to the United States, or to any instrumentality of the United States exempt from federal income taxes, on the preferred stock of the bank owned by the United States or the instrumentality;

(4) amounts disallowed for intangible drilling costs due to differ-

ences between this chapter and the Internal Revenue Code in taxable years beginning before January 1, 1987, as follows:

(i) to the extent the disallowed costs are represented by physical property, an amount equal to the allowance for depreciation under Minnesota Statutes 1986, section 290.09, subdivision 7, subject to the modifications contained in subdivision 19e; and

(ii) to the extent the disallowed costs are not represented by physical property, an amount equal to the allowance for cost depletion under Minnesota Statutes 1986, section 290.09, subdivision 8;

(5) the deduction for capital losses pursuant to sections 1211 and 1212 of the Internal Revenue Code of 1986, as amended through December 31, 1987, except that:

(i) for capital losses incurred in taxable years beginning after December 31, 1986, capital loss carrybacks shall not be allowed;

(ii) for capital losses incurred in taxable years beginning after December 31, 1986, a capital loss carryover to each of the 15 taxable years succeeding the loss year shall be allowed;

(iii) for capital losses incurred in taxable years beginning before January 1, 1987, a capital loss carryback to each of the three taxable years preceding the loss year, subject to the provisions of Minnesota Statutes 1986, section 290.16, shall be allowed; and

(iv) for capital losses incurred in taxable years beginning before January 1, 1987, a capital loss carryover to each of the five taxable years succeeding the loss year to the extent such loss was not used in a prior taxable year and subject to the provisions of Minnesota Statutes 1986, section 290.16, shall be allowed;

(6) an amount for interest and expenses relating to income not taxable for federal income tax purposes, if (i) the income is taxable under this chapter and (ii) the interest and expenses were disallowed as deductions under the provisions of section 171(a)(2), 265 or 291 of the Internal Revenue Code of 1986, as amended through December 31, 1987, in computing federal taxable income;

(7) in the case of mines, oil and gas wells, other natural deposits, and timber for which percentage depletion was disallowed pursuant to subdivision 19c, clause (11), a reasonable allowance for depletion based on actual cost. In the case of leases the deduction must be apportioned between the lessor and lessee in accordance with rules prescribed by the commissioner. In the case of property held in trust, the allowable deduction must be apportioned between the income beneficiaries and the trustee in accordance with the pertinent

provisions of the trust, or if there is no provision in the instrument, on the basis of the trust's income allocable to each;

(8) for certified pollution control facilities placed in service in a taxable year beginning before December 31, 1986, and for which amortization deductions were elected under section 169 of the Internal Revenue Code of 1954, as amended through December 31, 1985, an amount equal to the allowance for depreciation under Minnesota Statutes 1986, section 290.09, subdivision 7;

(9) the amount included in federal taxable income attributable to the credits provided in Minnesota Statutes 1986, section 273.1314, subdivision 9, or Minnesota Statutes, section 469.171, subdivision 6;

(10) amounts included in federal taxable income that are due to refunds of income, excise, or franchise taxes based on net income or related minimum taxes paid by the corporation to Minnesota, another state, a political subdivision of another state, the District of Columbia, or a foreign country or possession of the United States to the extent that the taxes were added to federal taxable income under section 290.01, subdivision 19c, clause (1), in a prior taxable year; and

(11) the following percentage of royalties, fees, or other like income accrued or received from a foreign operating corporation or a foreign corporation which is part of the same unitary business as the receiving corporation:

**Taxable Year**

Beginning After . . . . .	Percentage
December 31, 1988 . . . . .	50 percent
December 31, 1990 . . . . .	80 percent.

Sec. 8. Minnesota Statutes 1988, section 290.01, subdivision 19e, is amended to read:

Subd. 19e. [DEPRECIATION MODIFICATIONS FOR CORPORATIONS.] In the case of corporations, a modification shall be made for the accelerated cost recovery system. The allowable deduction for the accelerated cost recovery system is the same amount as provided in section 168 of the Internal Revenue Code with the following modifications. The modifications apply to taxable years beginning after December 31, 1986, and to property for which deductions under the Tax Reform Act of 1986, Public Law Number 99-514, are elected or apply.

(a) For property placed in service after December 31, 1980, and

before January 1, 1987, 40 percent of the allowance pursuant to section 168 of the Internal Revenue Code of 1954, as amended through December 31, 1985, for 15-, 18-, or 19-year real property shall not be allowed and for all other property 20 percent shall not be allowed.

(b) For property placed in service after December 31, 1987, no modification shall be made.

(c) For property placed in service after July 31, 1986, and before January 1, 1987, for which the taxpayer elects the deduction pursuant to section 203 of the Tax Reform Act of 1986, Public Law Number 99-514, and for property placed in service after December 31, 1986, and before January 1, 1988, 15 percent of the allowance pursuant to section 168 of the Internal Revenue Code of 1986 shall not be allowed.

(d) For property placed in service after December 31, 1980, and before January 1, 1987, for which the taxpayer elects to use the straight line method provided in section 168(b)(3), (f)(12), or (j)(1) or a method provided in section 168(e)(2) of the Internal Revenue Code of 1986, as amended through December 31, 1986, but excluding property for which the taxpayer elects the deduction pursuant to section 203 of the Tax Reform Act of 1986, Public Law Number 99-514, the modifications provided in paragraph (a) do not apply.

(e) For property subject to the modifications contained in paragraphs (a) and (c) and Minnesota Statutes 1986, section 290.09, subdivision 7, clause (c), the following modification shall be made after the entire amount of the allowable deduction has been allowed for federal tax purposes for that property under the provisions of section 168 of the Internal Revenue Code of 1986, as amended through December 31, 1987. The remaining depreciable basis in those assets for Minnesota purposes, including the amount of any basis reduction to reflect the investment tax credit for federal purposes under sections 48(q) and 49(d) of the Internal Revenue Code of 1986, as amended through December 31, 1987, shall be a depreciation allowance computed using the straight line method over the following number of years:

- (1) three-year property, one year;
- (2) five-year and seven-year property, two years;
- (3) ten-year property, five years; and
- (4) all other property, seven years.

(f) For property placed in service after December 31, 1987, the remaining depreciable basis for Minnesota purposes that is attrib-

utable to the basis reduction for federal purposes to reflect the investment tax credit under sections 48(q) and 49(d) of the Internal Revenue Code of 1986, as amended through December 31, 1987, shall be allowed as a deduction in the first taxable year after the entire amount of the allowable deduction for that property under the provisions of section 168 of the Internal Revenue Code of 1986, has been allowed, except that where the straight line method provided in section 168(b)(3) is used, the deduction provided in this clause shall be allowed in the last taxable year in which an allowance for depreciation is allowed for that property.

(g) For qualified timber property for which the taxpayer made an election under section 194 of the Internal Revenue Code of 1986, the remaining depreciable basis for Minnesota purposes is allowed as a deduction in the first taxable year after the entire allowable deduction has been allowed for federal tax purposes.

(h) The basis of property to which section 168 of the Internal Revenue Code applies is its basis as provided in this chapter including the modifications provided in this subdivision and in Minnesota Statutes 1986, section 290.09, subdivision 7, paragraph (c). The recapture tax provisions provided in sections 1245 and 1250 of the Internal Revenue Code of 1986, as amended through December 31, 1987, apply but must be calculated using the basis provided in the preceding sentence.

(i) The basis of an asset acquired in an exchange of assets, including an involuntary conversion, is the same as its federal basis under the provisions of the Internal Revenue Code of 1986, except that the difference in basis due to the modifications in this subdivision and in Minnesota Statutes 1986, section 290.09, subdivision 7, paragraph (c), is a deduction as provided in paragraph (e).

Sec. 9. Minnesota Statutes 1988, section 290.01, subdivision 19f, is amended to read:

Subd. 19f. [BASIS MODIFICATIONS AFFECTING GAIN OR LOSS ON DISPOSITION OF PROPERTY.] (a) For individuals, estates, and trusts, the basis of property is its adjusted basis for federal income tax purposes except as set forth in paragraphs (f) and (g). For corporations, the basis of property is its adjusted basis for federal income tax purposes, without regard to the time when the property became subject to tax under this chapter or to whether out-of-state losses or items of tax preference with respect to the property were not deductible under this chapter, except that the modifications to the basis for federal income tax purposes set forth in paragraphs (b) to (j) are allowed to corporations, and the resulting modifications to federal taxable income must be made in the year in which gain or loss on the sale or other disposition of property is recognized.

(b) The basis of property shall not be reduced to reflect federal investment tax credit.

(c) The basis of property subject to the accelerated cost recovery system under section 168 of the Internal Revenue Code shall be modified to reflect the modifications in depreciation with respect to the property provided for in subdivision 19e. For certified pollution control facilities for which amortization deductions were elected under section 169 of the Internal Revenue Code of 1954, the basis of the property must be increased by the amount of the amortization deduction not previously allowed under this chapter.

(d) For property acquired before January 1, 1933, the basis for computing a gain is the fair market value of the property as of that date. The basis for determining a loss is the cost of the property to the taxpayer less any depreciation, amortization, or depletion, actually sustained before that date. If the adjusted cost exceeds the fair market value of the property, then the basis is the adjusted cost regardless of whether there is a gain or loss.

(e) The basis is reduced by the allowance for amortization of bond premium if an election to amortize was made pursuant to Minnesota Statutes 1986, section 290.09, subdivision 13, and the allowance could have been deducted by the taxpayer under this chapter during the period of the taxpayer's ownership of the property.

(f) For assets placed in service before January 1, 1987, corporations, partnerships, or individuals engaged in the business of mining ores other than iron ore or taconite concentrates subject to the occupation tax under chapter 298 must use the occupation tax basis of property used in that business.

(g) For assets placed in service before January 1, 1990, corporations, partnerships, or individuals engaged in the business of mining iron ore or taconite concentrates subject to the occupation tax under chapter 298 must use the occupation tax basis of property used in that business.

(h) In applying the provisions of sections 301(c)(3)(B), 312(f) and (g), and 316(a)(1) of the Internal Revenue Code of 1986, as amended through December 31, 1987, the dates December 31, 1932, and January 1, 1933, shall be substituted for February 28, 1913, and March 1, 1913, respectively.

(i) In applying the provisions of section 362(a) and (c) of the Internal Revenue Code of 1986, as amended through December 31, 1987, the date December 31, 1956, shall be substituted for June 22, 1954.

(j) The basis of property shall be increased by the amount of

intangible drilling costs not previously allowed due to differences between this chapter and the Internal Revenue Code.

(k) The adjusted basis of any corporate partner's interest in a partnership is the same as the adjusted basis for federal income tax purposes modified as required to reflect the basis modifications set forth in paragraphs (b) to (j). The adjusted basis of a partnership in which the partner is an individual, estate, or trust is the same as the adjusted basis for federal income tax purposes modified as required to reflect the basis modifications set forth in paragraphs (f) and (g).

(l) The modifications contained in paragraphs (b) to (j) also apply to the basis of property that is determined by reference to the basis of the same property in the hands of a different taxpayer or by reference to the basis of different property.

Sec. 10. Minnesota Statutes 1988, section 290.06, subdivision 22, is amended to read:

Subd. 22. [CREDIT FOR TAXES PAID TO ANOTHER STATE.] (a) A taxpayer who is liable for taxes on or measured by net income to another state or province or territory of Canada, as provided in paragraphs (b) through (f), upon income allocated or apportioned to Minnesota, is entitled to a credit for the tax paid to another state or province or territory of Canada if the tax is actually paid in the taxable year or a subsequent taxable year. A taxpayer who is a resident of this state pursuant to section 290.01, subdivision 7a 7, clause ~~(b)~~ (2), and who is subject to income tax as a resident in the state of the individual's domicile is not allowed this credit unless the state of domicile does not allow a similar credit.

(b) For an individual, estate, or trust, the credit is determined by multiplying the tax payable under this chapter by the ratio derived by dividing the income subject to tax in the other state or province or territory of Canada that is also subject to tax in Minnesota while a resident of Minnesota by the taxpayer's federal adjusted gross income, as defined in section 62 of the Internal Revenue Code of 1986, as amended through December 31, 1987 ~~1988~~, modified by the addition required by section 290.01, subdivision 19a, clause (1) and the subtraction allowed by section 290.01, subdivision 19b, clause (1), to the extent the income is allocated or assigned to Minnesota under sections 290.081 and 290.17.

(c) If the taxpayer is an athletic team that apportions all of its income under section 290.17, subdivision 5, paragraph ~~(a)~~ (c), the credit is determined by multiplying the tax payable under this chapter by the ratio derived from dividing the total net income subject to tax in the other state or province or territory of Canada by the taxpayer's Minnesota taxable income.

(d) The credit determined under paragraph (b) or (c) shall not

exceed the amount of tax so paid to the other state or province or territory of Canada on the gross income earned within the other state or province or territory of Canada subject to tax under this chapter, nor shall the allowance of the credit reduce the taxes paid under this chapter to an amount less than what would be assessed if such income amount was excluded from taxable net income.

(e) In the case of the tax assessed on a lump sum distribution under section 290.032, the credit allowed under paragraph (a) is the tax assessed by the other state or province or territory of Canada on the lump sum distribution that is also subject to tax under section 290.032, and shall not exceed the tax assessed under section 290.032. To the extent the total lump sum distribution defined in section 290.032, subdivision 1, includes lump sum distributions received in prior years or is all or in part an annuity contract, the reduction to the tax on the lump sum distribution allowed under section 290.032, subdivision 2, includes tax paid to another state that is properly apportioned to that distribution.

(f) If a Minnesota resident reported an item of income to Minnesota and is assessed tax in such other state or province or territory of Canada on that same income after the Minnesota statute of limitations has expired, the taxpayer shall receive a credit for that year under paragraph (a), notwithstanding any statute of limitations to the contrary. The claim for the credit must be submitted within one year from the date the taxes were paid to the other state or province or territory of Canada. The taxpayer must submit sufficient proof to show entitlement to a credit.

Sec. 11. Minnesota Statutes 1988, section 290.067, subdivision 1, is amended to read:

Subdivision 1. [AMOUNT OF CREDIT.] A taxpayer may take as a credit against the tax due from the taxpayer and a spouse, if any, under this chapter an amount equal to the dependent care credit for which the taxpayer is eligible pursuant to the provisions of section 21 of the Internal Revenue Code subject to the limitations provided in subdivision 2: except that in determining whether the child qualified as a dependent, income received as an aid to families with dependent children grant or allowance to or on behalf of the child must not be taken into account in determining whether the child received more than half of the child's support from the taxpayer.

If the taxpayer is not required and does not file a federal individual income tax return for the tax year, no credit is allowed for any amount paid to any person unless:

(1) the name, address, and taxpayer identification number of the person are included on the return claiming the credit; or

(2) if the person is an organization described in section 501(c)(3) of

the Internal Revenue Code and exempt from tax under section 501(a) of the Internal Revenue Code, the name and address of the person are included on the return claiming the credit.

In the case of a failure to provide the information required under the preceding sentence, the preceding sentence does not apply if it is shown that the taxpayer exercised due diligence in attempting to provide the information required.

In the case of a nonresident or, part-year resident, or person whose tax is computed under section 290.06, subdivision 2c, paragraph (f), the credit determined under section 21 of the Internal Revenue Code must be allocated based on the ratio by which the earned income of the claimant and the claimant's spouse from Minnesota sources bears to the total earned income of the claimant and the claimant's spouse.

Sec. 12. Minnesota Statutes 1988, section 290.0802, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For purposes of this section, the following terms have the meanings given.

(a) "Adjusted gross income" means federal adjusted gross income as used in section 22(d) of the Internal Revenue Code for the taxable year plus the ordinary income portion of a lump sum distribution as defined in section 407(e) 402(e) of the Internal Revenue Code.

(b) "Disability income" means disability income as defined in section 22(c)(2)(B)(iii) of the Internal Revenue Code.

(c) "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended through December 31, 1987.

(d) "Nontaxable retirement and disability benefits" means the amount of pension, annuity, or disability benefits that would be included in the reduction under section 22(c)(3) of the Internal Revenue Code, but excluding tier one railroad retirement benefits.

(e) "Qualified individual" means a qualified individual as defined in section 22(b) of the Internal Revenue Code.

Sec. 13. Minnesota Statutes 1988, section 290.0802, subdivision 2, is amended to read:

Subd. 2. [SUBTRACTION.] (a) A qualified individual is allowed a subtraction from federal taxable income equal to the lesser of federal taxable income or for the individual's subtraction base amount. The excess of the subtraction base amount over federal the taxable net income computed without regard to the subtraction for the elderly or

disabled under section 290.01, subdivision 19b, clause (5), may be used to reduce the amount of a lump sum distribution subject to tax under section 290.032.

(b)(1) The initial subtraction base amount equals

(i) \$10,000 for a married taxpayer filing a joint return if a spouse is a qualified individual,

(ii) \$8,000 for a single taxpayer, and

(iii) \$5,000 for a married taxpayer filing a separate federal return.

(2) The qualified individual's initial subtraction base amount, then, must be reduced by the sum of nontaxable retirement and disability benefits and one-half of the amount of adjusted gross income in excess of the following thresholds:

(i) \$15,000 for a married taxpayer filing a joint return if both spouses are qualified individuals,

(ii) \$12,000 for a single taxpayer or for a married couple filing a joint return if only one spouse is a qualified individual, and

(iii) \$7,500 for a married taxpayer filing a separate federal return.

(3) In the case of a qualified individual who is under the age of 65, the maximum amount of the subtraction base may not exceed the taxpayer's disability income.

(4) The resulting amount is the subtraction base amount.

Sec. 14. Minnesota Statutes 1988, section 290.095, subdivision 9, is amended to read:

Subd. 9. [SPECIAL PERIOD OF LIMITATION WITH RESPECT TO NET OPERATING LOSS CARRYBACKS.] For the purposes of sections 290.46 and 290.50 if the claim for refund relates to an overpayment attributable to a net operating loss carryback under this section, in lieu of the period of limitation prescribed in sections 290.46 and 290.50, the period shall be that period which ends with the expiration of the 15th day of the 46th month following the end of the taxable year of the net operating loss which results in such carryback, plus any extension of time granted for filing the return, but only if the return was filed within the extended time. ~~During this extended period, for taxable years beginning before January 1, 1985, married individuals who elected to file separate returns or a combined return may change their election and file a joint return.~~

Sec. 15. Minnesota Statutes 1988, section 290.17, subdivision 1, is amended to read:

Subdivision 1. [SCOPE OF ALLOCATION RULES.] (a) The income of resident individuals is not subject to allocation outside this state. The allocation rules apply to nonresident individuals, estates, trusts, nonresident partners of partnerships, nonresident shareholders of corporations having a valid election in effect under section 1362 of the Internal Revenue Code of 1986, as amended through December 31, 1987, and all corporations not having such an election in effect. If a partnership or corporation would not otherwise be subject to the allocation rules, but conducts a trade or business that is part of a unitary business involving another legal entity that is subject to the allocation rules, the partnership or corporation is subject to the allocation rules.

(b) Expenses, losses, and other deductions (referred to collectively in this paragraph as "deductions") must be allocated along with the item or class of gross income to which they are definitely related for purposes of assignment under this section or apportionment under section 290.191, 290.20, 290.35, or 290.36. Deductions not definitely related to any item or class of gross income are assigned to the taxpayer's domicile.

(c) The application of the allocation rules as they apply to income, gains, losses, deductions, or credits of (1) a partner's distributable share from a partnership under section 290.31, subdivision 4; (2) a shareholder's distributable share from an S corporation provided in section 1366 of the Internal Revenue Code of 1986, as amended through December 31, 1988; (3) a beneficiary's distributable share from an estate or trust as provided in section 290.23, subdivision 9; or (4) the shareholders of regulated investment companies, real estate investment trusts, and real estate mortgage investment conduits as provided in subchapter M of the Internal Revenue Code of 1988, as amended through December 31, 1988, shall be determined by the resident status of the partner, beneficiary, or shareholder at the end of the taxable year of the partnership, estate or trust, or corporation.

Sec. 16. Minnesota Statutes 1988, section 290.17, subdivision 2, is amended to read:

Subd. 2. [INCOME NOT DERIVED FROM CONDUCT OF A TRADE OR BUSINESS.] The income of a taxpayer subject to the allocation rules that is not derived from the conduct of a trade or business must be assigned in accordance with paragraphs (a) to (f):

(a)(1) Subject to paragraphs (a)(2) and (a)(3), income from labor or personal or professional services is assigned to this state if, and to the extent that, the labor or services are performed within it; all

other income from such sources is treated as income from sources without this state.

Severance pay shall be considered income from labor or personal or professional services.

(2) In the case of an individual who is a nonresident of Minnesota and who is an athlete or entertainer, income from compensation for labor or personal services performed within this state shall be determined in the following manner:

(i) The amount of income to be assigned to Minnesota for an individual who is a nonresident salaried athletic team employee shall be determined by using a fraction in which the denominator contains the total number of days in which the individual is under a duty to perform for the employer, and the numerator is the total number of those days spent in Minnesota; and

(ii) The amount of income to be assigned to Minnesota for an individual who is a nonresident, and who is an athlete or entertainer not listed in clause (i), for that person's athletic or entertainment performance in Minnesota shall be determined by assigning to this state all income from performances or athletic contests in this state.

(3) For purposes of this section, amounts received by a nonresident from the United States, its agencies or instrumentalities, the Federal Reserve Bank, the state of Minnesota or any of its political or governmental subdivisions, or a Minnesota volunteer firefighters' relief association, by way of payment as a pension, public employee retirement benefit, or any combination of these, or as a retirement or survivor's benefit made from a plan qualifying under section 401, 403, 408, or 409, or as defined in section 403(b) or 457 of the Internal Revenue Code of 1986, as amended through December 31, 1987, are not considered income derived from carrying on a trade or business or from performing personal or professional services in Minnesota, and are not taxable under this chapter.

(b) Income or gains from tangible property located in this state that is not employed in the business of the recipient of the income or gains must be assigned to this state.

(c) Except upon the sale of a partnership interest or the sale of stock of an S corporation, income or gains from intangible personal property not employed in the business of the recipient of the income or gains must be assigned to this state if the recipient of the income or gains is a resident of this state or is a resident trust or estate.

Gain on the sale of a partnership interest is allocable to this state in the ratio of the original cost of partnership tangible property in

this state to the original cost of partnership tangible property everywhere, determined at the time of the sale. If more than 50 percent of the value of the partnership's assets consists of intangibles, gain or loss from the sale of the partnership interest is allocated to this state in accordance with the sales factor of the partnership for its first full tax period immediately preceding the tax period of the partnership during which the partnership interest was sold.

Gain on the sale of stock held in an S corporation is allocable to this state in the ratio of the original cost of tangible property of the S corporation within this state to the original cost of tangible property of the S corporation everywhere.

Gain on the sale of goodwill or income from a covenant not to compete that is connected with a business operating all or partially in Minnesota is allocated to this state to the extent that the income from the business in the year preceding the year of sale was assignable to Minnesota under subdivision 3.

(d) Income from the operation of a farm shall be assigned to this state if the farm is located within this state and to other states only if the farm is not located in this state.

(e) Income from winnings on Minnesota pari-mutuel betting tickets and lawful gambling as defined in section 349.12, subdivision 2, conducted within the boundaries of the state of Minnesota shall be assigned to this state.

(f) All items of gross income not covered in paragraphs (a) to (e) and not part of the taxpayer's income from a trade or business shall be assigned to the taxpayer's domicile.

Sec. 17. Minnesota Statutes 1988, section 290.311, subdivision 1, is amended to read:

Subdivision 1. [PARTNERS.] (a) Partner's modifications. In determining gross income and Minnesota taxable income of a partner, any modification described in section 290.01, subdivisions ~~20~~ 19 to ~~20f~~ 19f, which relates to an item of partnership income, gain, loss or deduction shall be made in accordance with the partner's distributive share, for federal income tax purposes, of the item to which the modification relates.

(b) Character of items. Each item of partnership income, gain, loss, or deduction shall have the same character for a partner under this section which it has for federal income tax purposes. Where an item is not characterized for federal income tax purposes, it shall have the same character for a partner as if realized directly from the

source from which realized by the partnership, or incurred in the same manner as incurred by the partnership.

(c) Minnesota tax avoidance or evasion. Where a partner's distributive share of an item of partnership income, gain, loss or deduction is determined for federal income tax purposes by special provision in the partnership agreement with respect to such item, and where the effect of such provision is the avoidance or evasion of tax under this section, the partner's distributive share of such item, and any modifications required with respect thereto shall be determined as if the partnership agreement made no special provision with respect to such item.

Sec. 18. Minnesota Statutes 1988, section 290.92, is amended by adding a subdivision to read:

Subd. 4b. [WITHHOLDING BY PARTNERSHIPS.] (a) A partnership shall deduct and withhold a tax as provided in paragraph (b) when the partnership pays or credits amounts to any of its nonresident individual partners on account of their distributive shares of partnership income for a taxable year of the partnership.

(b) The amount of tax withheld is determined by multiplying the partner's distributive share allocable to Minnesota under section 290.17, paid or credited during the taxable year by the highest rate used to determine the income tax liability for an individual under section 290.06, subdivision 2c, except that the amount of tax withheld may be determined based on tables provided by the commissioner if the partner submits a withholding exemption certificate under subdivision 5.

(c) A partnership required to deduct and withhold tax under this subdivision shall file a return with the commissioner. The tax required to be deducted and withheld during that year must be paid with the return. The return and payment is due on or before the due date specified for filing the partnership return under section 290.42.

(d) A partnership required to withhold and remit tax under this subdivision is liable for payment of the tax to the commissioner, and a person having control of or responsibility for the withholding of the tax or the filing of returns due under this subdivision is personally liable for the tax due. The commissioner may reduce or abate the tax if the partnership had reasonable cause to believe that no tax was due under this section.

(e) Notwithstanding paragraph (a), a partnership is not required to deduct and withhold tax for a nonresident partner if:

(1) the partner elects to have the tax due paid as part of the partnership's composite return under section 290.39, subdivision 5;

(2) the partner has Minnesota assignable federal adjusted gross income from the partnership of less than \$1,000; or

(3) the partnership is liquidated or terminated, the income was generated by a transaction related to the termination or liquidation, and no cash or other property was distributed in the current or prior taxable year.

(f) For purposes of subdivisions 6, paragraph (1)(c), 6a, 7, 11, and 15, a partnership is considered an employer.

Sec. 19. Minnesota Statutes 1988, section 290.92, is amended by adding a subdivision to read:

Subd. 4c. [WITHHOLDING BY SMALL BUSINESS CORPORATIONS.] (a) A corporation having a valid election in effect under section 290.9725 shall deduct and withhold a tax as provided in paragraph (b) when it pays or credits amounts to any of its nonresident individual shareholders as dividends or as their share of the corporations' undistributed taxable income for the taxable year.

(b) The amount of tax withheld is determined by multiplying the amount of dividends or undistributed income allocable to Minnesota under section 290.17, paid or credited to a nonresident shareholder during the taxable year by the highest rate used to determine the income tax liability of an individual under section 290.06, subdivision 2c, except that the amount of tax withheld may be determined based on tables provided by the commissioner if the shareholder submits a withholding exemption certificate under subdivision 5.

(c) A corporation required to deduct and withhold tax under this subdivision shall file a return with the commissioner. The tax required to be deducted and withheld during that year must be paid with the return. The return and payment is due on or before the due date specified for filing the corporate income tax return under section 290.42.

(d) A corporation required to withhold and remit tax under this section is liable for payment of the tax to the commissioner, and a person having control of or responsibility for the withholding of the tax or the filing of returns due under this subdivision is personally liable for the tax due.

(e) Notwithstanding paragraph (a), a corporation is not required to deduct and withhold tax for a nonresident shareholder, if:

(1) the shareholder elects to have the tax due paid as part of the corporation's composite return under section 290.39, subdivision 5;

(2) the shareholder has Minnesota assignable federal adjusted gross income from the corporation of less than \$1,000; or

(3) the corporation is liquidated or terminated, the income was generated by a transaction related to the termination or liquidation, and no cash or other property was distributed in the current or prior taxable year.

(f) For purposes of subdivisions 6, paragraph (1)(c), 6a, 7, 11, and 15, a corporation is considered an employer.

Sec. 20. [290.9201] [TAX ON NONRESIDENT ENTERTAINERS.]

Subdivision 1. [DEFINITIONS.] (a) "Entertainer" means an individual who is not a resident of Minnesota or a state with which Minnesota has a reciprocal agreement under section 290.081 who performs acts in Minnesota that amuse, entertain, or inform. For purposes of this section, "entertainer" includes, but is not limited to, a musician, singer, dancer, comedian, thespian, athlete, and public speaker.

(b) Entertainment entity means either: (1) an entertainer who is paid compensation for providing entertainment as an independent contractor; (2) a partnership that is paid compensation for entertainment provided by entertainers who are partners, or (3) a corporation that is paid compensation for entertainment provided by entertainers who are shareholders of the corporation.

Subd. 2. [TAX ON ENTERTAINMENT.] Entertainment entities are subject to a tax in the amount of two percent of the total compensation received by them during the calendar year for entertainment performed in Minnesota.

Subd. 3. [CREDIT AGAINST TAX.] Each calendar year an entertainment entity may take a nonrefundable credit of \$100 against the tax imposed by this section.

Subd. 4. [FILING DATE OF ANNUAL RETURN.] (a) An entertainment entity subject to the tax imposed by this section shall file with the commissioner an annual return for the calendar year on or before April 15 following the close of the calendar year.

(b) The return must be in the form prescribed by the commissioner.

Subd. 5. [PAYMENT OF TAX AND LIABILITY.] The tax imposed by this section is payable to the commissioner on the filing date and is the joint and several liability of the entertainer and the entertainment entity.

Subd. 6. [EXEMPTION FROM INCOME TAX.] Compensation subject to the tax imposed under this section is not assignable to Minnesota under section 290.17.

Subd. 7. [WITHHOLDING ON COMPENSATION OF ENTERTAINERS.] The tax on compensation of an entertainer must be withheld at a rate of two percent of all compensation paid to the entertainment entity by the person or corporation having legal control of the payment of the compensation. The payor is liable to the state for the payment of the tax required to be deducted and withheld, and is not liable to a person for the amount of the payment. The compensation subject to withholding under this section is not subject to the withholding provisions of section 290.92, subdivision 2a or 3, except the provisions of section 290.92, subdivisions 6a, 7, 14, 15, and 18 shall apply to withholding under this section as if the withholding were upon wages.

Subd. 8. [DEPOSIT OF ENTERTAINER WITHHOLDING.] (a) The person or corporation having legal control of the payment of compensation taxable under this section shall deposit the earnings tax with the commissioner, and shall file an entertainer withholding tax return with the commissioner, within 30 days of each performance.

(b) The withholding tax return must be in the form prescribed by the commissioner.

Subd. 9. [REFUNDS.] If there is an overpayment of the tax imposed by this section, refund of the overpayment or credit shall be made to the payor under rules prescribed by the commissioner, but only to the extent that the amount of the overpayment was not deducted and withheld under subdivision 7 by the payor. An overpayment that is refunded bears interest at the rate specified in section 270.76, computed from the date of payment until the date the refund is paid to the payor.

Subd. 10. [REFUNDS.] If the tax withheld at the source under subdivision 7 exceeds by \$1 or more the taxes, penalties, and interest reported in the return of the entertainment entity or imposed by this section, the excess must be refunded to the entertainment entity. If the excess is less than \$1, the commissioner need not refund that amount. If the excess to be refunded exceeds \$10, the amount on the original return bears interest at the rate specified in section 270.76, computed from 90 days after (1) the due date of the return of the employee taxpayer or (2) the date on which the return is filed, whichever is later, to the date the refund is paid to the taxpayer.

Sec. 21. [290.9705] [SURETY DEPOSITS REQUIRED FOR CONSTRUCTION CONTRACTS.]

Subdivision 1. [WITHHOLDING OF PAYMENTS TO OUT-OF-STATE CONTRACTORS.] (a) In this section, "person" means a person, corporation, or cooperative, the state of Minnesota and its political subdivisions, and a city, county, and school district in Minnesota.

(b) A person who in the regular course of business is hiring, contracting, or having a contract with a nonresident person or foreign corporation, as defined in Minnesota Statutes 1986, section 290.01, subdivision 5, to perform construction work in Minnesota, shall deduct and withhold eight percent of every payment to the contractor if the contract exceeds or can reasonably be expected to exceed \$100,000.

Subd. 2. [REQUIREMENT TO DEPOSIT WITHHOLDINGS WITH COMMISSIONER.] A person required to withhold an amount under subdivision 1 shall deposit the amount withheld and file a return prescribed by the commissioner within 30 days of the payment to the contractor. The payor is liable to the state for the amount required to be deducted and is not liable to a person for the amount of the payment.

Subd. 3. [WAIVER OF WITHHOLDING.] The conditions in subdivisions 1 and 2 may be waived by the commissioner if (1) the contractor gives the commissioner a cash surety or a bond, secured by an insurance company licensed by Minnesota, conditioned that the contractor will comply with all applicable provisions of chapters 290 and 297A, or (2) the contractor has done construction work in Minnesota in the three calendar years prior to entering the contract and has fully complied with all the provisions of chapters 290 and 297A for the three prior years.

Subd. 4. [DEPOSITS USED AS SURETY FOR COMPLIANCE WITH INCOME AND SALES TAX PROVISIONS.] The amounts deposited with the commissioner under subdivisions 2 and 3 are considered a surety to guarantee payment of income, franchise, withholding, and sales and use taxes of the contractor. The commissioner shall retain the money deposited until the commissioner determines the contractor's liability for state income, franchise, sales and use taxes, and taxes withheld under section 290.92. If the deposit exceeds the liability, the commissioner shall refund the difference to the contractor with interest at the rate specified in section 270.76 computed from the dates the amounts were deposited with the commissioner.

Sec. 22. Minnesota Statutes 1988, section 291.005, subdivision 1, is amended to read:

Subdivision 1. Unless the context otherwise clearly requires, the following terms used in this chapter shall have the following meanings:

(1) "Federal gross estate" means the gross estate of a decedent as valued and otherwise determined for federal estate tax purposes by federal taxing authorities pursuant to the provisions of the Internal Revenue Code.

(2) "Minnesota gross estate" means the federal gross estate of a decedent after (a) excluding therefrom any property included therein which has its situs outside Minnesota and (b) including therein any property omitted from the federal gross estate which is includable therein, has its situs in Minnesota, and was not disclosed to federal taxing authorities.

(3) "Personal representative" means the executor, administrator or other person appointed by the court to administer and dispose of the property of the decedent. If there is no executor, administrator or other person appointed, qualified, and acting within this state, then any person in actual or constructive possession of any property having a situs in this state which is included in the federal gross estate of the decedent shall be deemed to be a personal representative to the extent of the property and the Minnesota estate tax due with respect to the property.

(4) "Resident decedent" means an individual whose domicile at the time of death was in Minnesota.

(5) "Nonresident decedent" means an individual whose domicile at the time of death was not in Minnesota.

(6) "Situs of property" means, with respect to real property, the state or country in which it is located; with respect to tangible personal property, the state or country in which it was normally kept or located at the time of the decedent's death; and with respect to intangible personal property, the state or country in which the decedent was domiciled at death.

(7) "Commissioner" means the commissioner of revenue or any person to whom the commissioner has delegated functions under this chapter.

(8) "Internal Revenue Code" means the United States Internal Revenue Code of 1954 1986 as amended through December 31, 1984 1988.

### Sec. 23. [FEDERAL CHANGES.]

The changes made by sections 1002, 1004, 1006, 1008, 1009, 1011, 1014, 1018, 3041, 6002, 6026, and 6286 of the Technical and Miscellaneous Revenue Act of 1988, Public Law Number 100-647, which affect the computation of Minnesota gross income as defined in Minnesota Statutes, section 290.01, subdivision 20; lump sum

distributions as allowed by Minnesota Statutes, section 290.032; accounting provision applied under Minnesota Statutes, section 290.07; contribution deduction allowed by Minnesota Statutes, sections 290.089 and 290.21; depreciation, amortization, and expensing provisions allowed under Minnesota Statutes, section 290.09; the recognition rules for distributions and reorganization rules provided by Minnesota Statutes, sections 290.13 to 290.139; and the grantor trust and reversionary interest rule exceptions and limitations under Minnesota Statutes, sections 290.23 and 290.25, for years beginning before January 1, 1987, shall be in effect at the same time they become effective for federal income tax purposes.

The additional statute of limitations to file amended returns allowing contributions to institutions of higher education and allowing an election to claim losses on deposits in certain insolvent financial institutions under provisions of sections 6001 and 1009 of the Technical and Miscellaneous Revenue Act of 1988, shall apply to Minnesota for the same period as the federal period applies plus an additional six months.

The waiver of the estimated tax penalties provided by section 1019 of the Technical and Miscellaneous Revenue Act of 1988, shall also apply to Minnesota to the extent the underpayment was created or increased by any provisions of the changes due to applying the federal law changes.

Sec. 24. [INSTRUCTION TO REVISOR.]

In the next edition of Minnesota Statutes, the revisor of statutes shall substitute the phrase "Internal Revenue Code of 1986, as amended through December 31, 1988" for the words "Internal Revenue Code of 1986, as amended through December 31, 1987" wherever it occurs in chapters 290, except in section 290.01, subdivision 19, and 290A.

Sec. 25. [REPEALER.]

Minnesota Statutes 1988, section 290.01, subdivision 6a, is repealed.

Sec. 26. [EFFECTIVE DATE.]

Section 5 is effective for taxable years beginning after December 31, 1987. Sections 2, 3, 4, and 10 to 17 are effective for taxable years beginning after December 31, 1988. Sections 18 to 20 are effective after December 31, 1989. Section 21 is effective for contracts entered into after December 31, 1989. Section 22 is effective for dates of death after December 31, 1988. Section 1 and sections 6 to 9 are effective for taxable years beginning after December 31, 1986. The part of section 16 pertaining to goodwill and covenants not to

compete are only in effect on contracts entered into after the day of final enactment.”

Delete the title and insert:

“A bill for an act relating to taxation; making technical corrections and clarifications to individual income and corporate franchise taxes; updating references to the Internal Revenue Code; imposing a tax and providing for withholding of certain payments to nonresidents; requiring surety payment by out-of-state contractors; amending Minnesota Statutes 1988, sections 290.01, subdivisions 4, 7, 19, 19a, 19b, 19c, 19d, 19e, and 19f; 290.06, subdivision 22; 290.067, subdivision 1; 290.0802, subdivisions 1 and 2; 290.095, subdivision 9; 290.17, subdivisions 1 and 2; 290.311, subdivision 1; 290.92, by adding subdivisions; and 291.005, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 290; repealing Minnesota Statutes 1988, section 290.01, subdivision 6a.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Long from the Committee on Taxes to which was referred:

H. F. No. 243, A bill for an act relating to the department of revenue; recodifying information and disclosure provisions to increase uniformity of treatment and comply with the data privacy act; amending Minnesota Statutes 1988, sections 60A.17, subdivision 20; 82.27, subdivision 7; 147.091, subdivision 7; 148.10, subdivision 5; 148B.06, subdivision 3; 150A.08, subdivision 9; 171.31; 176.186; 176.231, subdivision 9; 256.978; 270.052; 270.064; 270.66, subdivision 3; 270.72, subdivision 4; 270.73, subdivision 1; 270A.11; 290.081; 290.174; 290.371, subdivision 5; 290.50, subdivision 6; 290.523, subdivision 1; 290.91; 290.92, subdivisions 5a, 17, and 26; 290A.112, subdivision 1; 297A.07; 326.20, subdivision 4; and 469.173, subdivision 5; proposing coding for new law as Minnesota Statutes, chapter 270B; repealing Minnesota Statutes 1988, sections 290.05, subdivision 7; 290.61; 290A.17; 291.48; and 297A.43.

Reported the same back with the following amendments:

Page 5, line 26, delete the period and insert a semicolon

Page 5, line 33, delete “and”

Page 6, line 2, before “if” insert “and”

(7)”

Page 7, line 12, delete "CRIMINAL"

Page 7, line 13, delete "criminal"

Page 7, line 15, after "revenue" insert "in order to prepare a case against a person, whether known or unknown, for the commission of a crime"

Page 7, line 16, after "inactive," insert "as defined in section 13.82, subdivision 5,"

Page 9, lines 9 and 10, delete "an employee of the department of revenue" and insert "the commissioner"

Page 9, lines 18 and 19, delete "An employee of the department of revenue" and insert "The commissioner"

Page 10, line 22, delete the second "commissioner" and insert "department"

Page 11, line 12, delete "commissioner of internal revenue" and insert "Internal Revenue Service"

Page 12, line 4, delete "COMMISSIONER" and insert "DEPARTMENT"

Page 12, line 5, delete "commissioner" and insert "department"

Page 12, after line 14, insert:

"Subd. 6. [DEPARTMENT OF REVENUE EMPLOYEES; ATTORNEY GENERAL.] Returns and return information may be open to inspection by or disclosure to an employee of the department of revenue and the attorney general for the purpose of and to the extent necessary to administer tax laws."

Page 13, line 15, delete "COMMISSIONER" and insert "DEPARTMENT"

Page 13, lines 18, 27, 31, and 36, delete "commissioner" and insert "department"

Page 14, line 26, delete "commissioner of the"

Page 14, line 30, delete "COMMISSIONERS" and insert "DEPARTMENTS"

Page 14, line 32, delete "commissioners" and insert "departments"

Page 15, line 25, delete everything after "who" and insert "intentionally and without authority attempts to or does penetrate"

Page 16, delete section 20

Renumber the sections in sequence

Correct internal references

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

The report was adopted.

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

H. F. No. 353, A bill for an act relating to economic development; expanding the definition of economic development district; authorizing economic development authorities to construct and furnish buildings; providing for a referendum on an economic development authority's issuance of general obligation bonds; exempting economic development authority bonds from net debt limits; amending Minnesota Statutes 1988, sections 469.101, subdivision 1, and by adding a subdivision; and 469.102, subdivision 1, and by adding subdivisions.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Local Government and Metropolitan Affairs.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 371, A bill for an act relating to corrections; authorizing the commissioner of corrections to take photographs of juveniles committed to the commissioner for management and law enforcement purposes; amending Minnesota Statutes 1988, section 260.161, subdivision 3.

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

The report was adopted.

**SECOND READING OF HOUSE BILLS**

H. F. Nos. 148, 214 and 371 were read for the second time.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

Rest; McGuire; Segal; Olsen, S., and Pellow introduced:

H. F. No. 698, A bill for an act relating to education; increasing the minimum allowance for school districts; amending Minnesota Statutes 1988, section 124A.22, subdivision 9.

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

Kelso; McGuire; Segal; Olsen, S., and Pellow introduced:

H. F. No. 699, A bill for an act relating to education; requiring tax increment authorities to pay to a school district all tax increment attributable to the school district's referendum levy; amending Minnesota Statutes 1988, section 469.177, subdivision 10.

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

Greenfield, Jefferson, Clark, Forsythe and Kelly introduced:

H. F. No. 700, A bill for an act relating to crimes; increasing penalties for certain crimes when committed because of the victim's race, color, religion, sex, sexual orientation, disability, or national origin; increasing penalties for using the mail or making telephone calls and falsely impersonating another for the purpose of harassing, abusing, or threatening another person; amending Minnesota Statutes 1988, sections 609.2231, by adding a subdivision; 609.595, subdivisions 2, 3, and by adding a subdivision; 609.605, by adding a subdivision; 609.746, by adding a subdivision; 609.79, by adding a subdivision; and 609.795.

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

Munger introduced:

H. F. No. 701, A bill for an act relating to environment; eliminating the PCB exemption program; repealing Minnesota Statutes 1988, sections 116.36; and 116.37.

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

Wagenius, Carruthers, Kelly, Vellenga and Swenson introduced:

H. F. No. 702, A bill for an act relating to crime; expanding the crime of failure to appear for a criminal court appearance; providing that the county attorney has jurisdiction to prosecute the crime; prescribing penalties; amending Minnesota Statutes 1988, sections 388.051, subdivision 2; and 609.49.

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

Wagenius, Carruthers, Jefferson, Otis and Swenson introduced:

H. F. No. 703, A bill for an act relating to crime; expanding the theft statute to include the unauthorized use of a motor vehicle; making the penalties for receiving stolen property and issuing a dishonored check similar to the penalties for theft; including forged endorsements within the elements of the crime of check forgery; making technical corrections to the theft statute; amending Minnesota Statutes 1988, sections 609.52; 609.53, subdivisions 1 and 4; 609.535, subdivision 2a; and 609.631, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes 1988, sections 609.53, subdivisions 1a, 3, and 3a; and 609.55.

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

Kelly; Carruthers; Osthoff; Anderson, G., and Bennett introduced:

H. F. No. 704, A bill for an act relating to peace officers; establishing reimbursement program for purchases of soft body armor by and for peace officers; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 299A.

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

Kelso, Greenfield, Boo, Dorn and Anderson, R., introduced:

H. F. No. 705, A bill for an act relating to human services; providing requirements for licensing under the human services licensing act; amending Minnesota Statutes 1988, sections 144A.01, subdivision 5; 245.73, subdivisions 1 and 2; 245A.02, subdivisions 3, 9, 10, 14, and by adding a subdivision; 245A.03, subdivisions 1, 2, and 3; 245A.04, subdivisions 1, 3, 5, 6, 7, and by adding subdivisions; 245A.06, subdivisions 1, 5, and by adding a subdivision; 245A.07, subdivision 2; 245A.08, subdivision 5; 245A.12; 245A.13; 245A.14, subdivision 3; and 245A.16, subdivision 1.

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

Ostrom; Rodosovich; Greenfield; Anderson, R., and Welle introduced:

H. F. No. 706, A bill for an act relating to human services; clarifying methods of determining the cost of care rendered at state facilities; allowing the commissioner of human services to charge on a fee for service basis; clarifying responsibility for collection of the cost of care at state-operated, community-based programs for persons with mental retardation or related conditions; clarifying legislative intent to allow the commissioner of human services to continue to collect for cost of care of persons treated for chemical dependency at state facilities; amending Minnesota Statutes 1988, section 246.50, subdivisions 3, 4, and 5, and by adding a subdivision; repealing Minnesota Statutes 1988, section 246.50, subdivisions 3a, 4a, and 9.

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

Kostohryz, Kelso, Boo, Quinn and Sviggum introduced:

H. F. No. 707, A bill for an act relating to horse racing; allowing a licensed racetrack to conduct pari-mutuel betting on televised races on days when races are not conducted at the licensed racetrack; allowing the licensed racetrack to commingle pari-mutuel pools with the sending racetrack; amending Minnesota Statutes 1988, sections 240.01, subdivision 10, and by adding a subdivision; 240.10; 240.13, subdivisions 1, 3, and by adding a subdivision; 240.14, by adding a subdivision; 240.16, by adding a subdivision; and 240.29.

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

**Stanius introduced:**

H. F. No. 708, A bill for an act relating to human services; defining persons with related conditions to include persons with prader-willi syndrome; amending Minnesota Statutes 1988, section 252.27, subdivision 1.

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

**Simoneau, Vanasek, Dempsey and Bertram introduced:**

H. F. No. 709, A bill for an act relating to the commission on uniform state laws; providing for its composition; amending Minnesota Statutes 1988, section 3.251.

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

**Clark; Anderson, G., and Nelson, K., introduced:**

H. F. No. 710, A bill for an act relating to education; providing elementary school students counseling on the dangers of inhalant abuse; providing grants for student volunteers to work with young inhalant abusers; developing curriculum on inhalants; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 123.

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

**Trimble, Pelowski, Dorn and Jaros introduced:**

H. F. No. 711, A bill for an act relating to education; clarifying aspects of the governance of the University of Minnesota system; requiring a president of each institution in the University of Minnesota system; proposing coding for new law in Minnesota Statutes, chapter 137.

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

**McLaughlin introduced:**

H. F. No. 712, A bill for an act relating to sentencing; replacing the current "good time" system with a "bad time" system; authorizing an increase in the duration of an inmate's sentence to the extent

"bad time" is earned; requiring the sentencing court to specify the length of time a felony offender will likely serve in prison and on supervised release; amending Minnesota Statutes 1988, sections 244.01, subdivisions 5 and 8; 244.02, subdivision 2; 244.04; 244.05, subdivision 1; 244.065; and 244.10, by adding a subdivision.

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

McLaughlin introduced:

H. F. No. 713, A resolution memorializing the President and Congress of the United States to enact laws providing for truth in sentencing of persons convicted of federal crimes.

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

O'Connor, Osthoff, Morrison, Dawkins and Tjornhom introduced:

H. F. No. 714, A bill for an act relating to housing; establishing a fair housing education and public information program; authorizing the establishment of affordable housing programs under the administration of the Minnesota housing finance agency; establishing a neighborhood preservation program; requiring housing impact statements; appropriating money; amending Minnesota Statutes 1988, sections 462A.05, subdivision 27, and by adding subdivisions; 462A.201, subdivision 5; 462A.21, subdivisions 4k, 12, and by adding subdivisions; and 469.012, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 256 and 471.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Ogren and Gutknecht introduced:

H. F. No. 715, A bill for an act relating to medical assistance; establishing a case management pilot project; requiring reports; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256B.

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

Kelly, Orenstein, Pugh and Hasskamp introduced:

H. F. No. 716, A bill for an act relating to notaries public;

eliminating the requirement that notaries be bonded; amending Minnesota Statutes 1988, sections 359.02 and 359.071.

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

Vellenga; Greenfield; Anderson, R., Otis and Wynia introduced:

H. F. No. 717, A bill for an act relating to human services; providing for the distribution of money for head start programs to expand services to additional children from low income families; proposing coding for new law in Minnesota Statutes, chapter 268.

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

Nelson, C.; Redalen; Otis and Sparby introduced:

H. F. No. 718, A bill for an act relating to agriculture; providing a linked deposit program to allow eligible agricultural businesses and small businesses to obtain operating loans at reduced interest rates; requiring linked deposit agreements for eligible lending institutions to receive linked deposits; authorizing the state investment board to purchase investments from eligible lending institutions; imposing a penalty; appropriating money.

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

Nelson, C.; Otis; Cooper; Anderson, R., and Battaglia introduced:

H. F. No. 719, A bill for an act relating to economic development; authorizing certain local jurisdictions to contribute to local or regional economic development organizations; proposing coding for new law in Minnesota Statutes, chapter 469.

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

McLaughlin and Jefferson introduced:

H. F. No. 720, A bill for an act relating to corrections; allowing chiropractors to practice in institutions under the control of the commissioner of corrections; amending Minnesota Statutes 1988, section 241.021, subdivision 4.

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

Trimble; Wenzel; Carlson, L.; Dorn and Omann introduced:

H. F. No. 721, A bill for an act relating to education; requiring a uniform procedure for assessing post-secondary students to determine remedial needs; appropriating money.

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

Pelowski, Otis, Kahn, Peterson and Abrams introduced:

H. F. No. 722, A bill for an act relating to economic development; providing for funding of grants to nonprofit economic development organizations; appropriating money.

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

Steensma, Kostohryz, Battaglia, Ogren and Anderson, R., introduced:

H. F. No. 723, A bill for an act relating to veterans; providing for establishment of a veterans home in Luverne; proposing coding for new law in Minnesota Statutes, chapter 198.

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

Kahn, Kostohryz, Seaberg and Johnson, A., introduced:

H. F. No. 724, A bill for an act relating to traffic regulations; providing for an alternative slow-moving vehicle emblem for persons with certain sincerely held religious beliefs; amending Minnesota Statutes 1988, section 169.522, subdivision 1.

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

Carlson, L.; Munger; Price; Poppenhagen and Trimble introduced:

H. F. No. 725, A bill for an act relating to education; expanding the definition of resident student for purposes of financial assistance;

amending Minnesota Statutes 1988, section 136A.101, subdivision 8.

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

Carruthers, Seaberg, Wagenius, Dempsey and Greenfield introduced:

H. F. No. 726, A bill for an act relating to sentencing; requiring the sentencing guidelines commission to modify the way in which prior juvenile offenses are counted in the offender's criminal history score; proposing coding for new law in Minnesota Statutes, chapter 244.

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

Sparby, O'Connor, Frerichs, Bertram and Morrison introduced:

H. F. No. 727, A bill for an act relating to housing; reducing property taxes on certain types of residential rental property; authorizing a tax levy for public housing; amending Minnesota Statutes 1988, section 273.13, subdivision 25; proposing coding for new law in Minnesota Statutes, chapter 462C.

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

Segal, Greenfield, Clark, Ogren and Gruenes introduced:

H. F. No. 728, A bill for an act relating to occupations and professions; regulating nursing; proposing the Minnesota nurse practice act; providing penalties; amending Minnesota Statutes 1988, sections 144A.43, subdivision 3; 145A.02, subdivision 18; 148.171; 148.181; 148.191; 148.211; 148.231; 148.241; 148.251; 148.261; 148.271; 148.281; and 148.283; proposing coding for new law in Minnesota Statutes, chapter 148; repealing Minnesota Statutes 1988, sections 145A.06, subdivision 3; 148.191, subdivision 3; 148.221; 148.251, subdivision 2; 148.261, subdivision 3; 148.272; 148.281, subdivision 1a; 148.286; 148.29; 148.291; 148.292; 148.293; 148.294; 148.295; 148.296; 148.297; 148.298; and 148.299.

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

Pappas, Wagenius, Janezich and Seaberg introduced:

H. F. No. 729, A bill for an act relating to marriage dissolution; including the primary caretaker standard as a factor to be considered in custody decisions; providing that the court may not use one factor as controlling in determining custody; requiring courts to consider the existence of domestic abuse in determining whether to award joint custody; providing for the appointment of visitation expeditors to resolve on-going visitation disputes; providing for visitation by persons who have resided with a child; amending Minnesota Statutes 1988, sections 257.022, by adding a subdivision; 518.17, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 518.

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

Greenfield, Segal, Pugh, Cooper and Anderson, R., introduced:

H. F. No. 730, A bill for an act relating to human services; clarifying eligibility requirements for AFDC; revising the Minnesota supplemental aid program; appropriating money; amending Minnesota Statutes 1988, sections 13.46, subdivision 2; 237.70, subdivision 7; 237.701, subdivision 1; 256.014, subdivision 1; 256.12, subdivision 14; 256.73, subdivision 3a; 256.736, subdivision 3; 256.74, subdivisions 1 and 1a; 256D.01, subdivision 1b; 256D.35, subdivisions 1, 7, and by adding subdivisions; 256D.36, subdivision 1, and by adding a subdivision; and 256D.37, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 256D; proposing coding for new law as Minnesota Statutes, chapter 256I; repealing Minnesota Statutes 1988, sections 256D.01, subdivision 1c; 256D.06, subdivisions 3, 4, and 6; 256D.35, subdivisions 2, 3, 4, and 8; 256D.36, subdivision 2; 256D.37, subdivisions 2, 4, 6, 7, 8, 9, 10, 11, 12, 13, and 14; 256D.38; 256D.39; 256D.41; 256D.42; and 256D.43.

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

Blatz, Vellenga, Carruthers, Runbeck and Kelly introduced:

H. F. No. 731, A bill for an act relating to data practices; providing for classification of law enforcement data on child abuse; amending Minnesota Statutes 1988, sections 13.82, by adding a subdivision; and 626.556, subdivisions 11 and 11c.

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

Blatz introduced:

H. F. No. 732, A bill for an act relating to taxation; property; clarifying the agricultural classification of certain property; amending Minnesota Statutes 1988, sections 273.111; and 273.13, subdivision 23.

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

Frederick introduced:

H. F. No. 733, A bill for an act relating to human rights; requiring a certificate of compliance for public contracts with a person with 20 or more employees; amending Minnesota Statutes 1988, section 363.073, subdivision 1.

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

Seaberg and Morrison introduced:

H. F. No. 734, A bill for an act relating to motor vehicles; defining physically handicapped person for purposes of obtaining special license plates; amending Minnesota Statutes 1988, section 169.345, subdivision 2.

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

Olson, E.; Neuenschwander; Lieder; Carlson, D., and Johnson, R., introduced:

H. F. No. 735, A bill for an act relating to traffic regulations; providing for special permit for special vehicle; setting a fee; amending Minnesota Statutes 1988, sections 169.825, by adding a subdivision; and 169.86, subdivision 5.

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

Ostrom, Scheid, Steensma, Sviggum and Abrams introduced:

H. F. No. 736, A bill for an act relating to elections; eliminating a penalty for issuing certain election certificates; amending Minnesota Statutes 1988, section 211A.05, subdivision 1.

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

Jefferson, O'Connor, Morrison, Clark and Osthoff introduced:

H. F. No. 737, A bill for an act relating to housing; changing notice and redemption provisions for certain types of properties; revising certain tenant damage provisions in landlord-tenant actions; regulating tenant screening services; revising certain housing receiver-ship provisions; establishing housing courts, rent escrow systems, and building repair fines as demonstration projects in Hennepin and Ramsey counties; imposing penalties; amending Minnesota Statutes 1988, sections 463.21; 504.255; 504.26; 566.175, subdivision 1; 566.29, subdivisions 1, 4, and by adding subdivisions; 580.031; 580.23, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 504 and 566.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Reding, Kahn, Frerichs and Otis introduced:

H. F. No. 738, A bill for an act relating to economic development; establishing a small business innovation research bridge grant program; appropriating money.

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

Uphus; Brown; Waltman; Olson, E., and Carlson, D., introduced:

H. F. No. 739, A bill for an act relating to retirement; allowing an optional annuity based upon statewide average salaries for members of the teachers retirement association; amending Minnesota Statutes 1988, section 354.44, subdivision 6.

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

Carlson, L.; Price; Heap; Dorn and Jaros introduced:

H. F. No. 740, A bill for an act relating to education; changing the name of technical institutes to technical colleges; amending Minnesota Statutes 1988, section 136C.02, subdivision 2.

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

Pappas, Kahn and Segal introduced:

H. F. No. 741, A bill for an act relating to state government; providing for gender balance in multimember agencies; amending Minnesota Statutes 1988, section 15.0597, by adding a subdivision.

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

McPherson, Henry, Haukoos, Hugoson and Omann introduced:

H. F. No. 742, A bill for an act relating to education; restoring earlier levels of salary aid for special education teachers; appropriating money; amending Minnesota Statutes 1988, section 124.32, subdivision 1b.

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

Quinn, Kostohryz, McEachern, Bennett and Gutknecht introduced:

H. F. No. 743, A bill for an act relating to charitable gambling; authorizing and regulating the use of video pull-tab devices at certain locations; regulating manufacturers and distributors of these devices; providing a tax; appropriating money; amending Minnesota Statutes 1988, sections 349.12, subdivision 15, and by adding subdivisions; 349.161, subdivisions 1, 2, 3, 5, and by adding subdivisions; 349.162, subdivision 2, and by adding subdivisions; 349.163, by adding a subdivision; 349.212, subdivision 4; 349.2121, subdivisions 1 and 10; 349.2122; and 349.30, subdivision 2; proposing coding for new law in chapter 349.

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

Beard, Price, Jacobs, Segal and Quinn introduced:

H. F. No. 744, A bill for an act relating to taxation; providing a property tax refund if property taxes increase over ten percent from the previous year; amending Minnesota Statutes 1988, section 290A.04, subdivision 2h.

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

Beard, Lasley and Ogren introduced:

H. F. No. 745, A bill for an act relating to health; requiring that health care providers timely furnish patient health records and reports; amending Minnesota Statutes 1988, section 144.335, subdivisions 2 and 3.

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

Milbert and Rest introduced:

H. F. No. 746, A bill for an act relating to tax increment financing; excluding certain levies in the computation of tax increment revenues; amending Minnesota Statutes 1988, section 469.177, subdivisions 1a, as amended, and 9.

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

Beard, Ogren and Lasley introduced:

H. F. No. 747, A bill for an act relating to human services; increasing the personal needs allowance for persons in skilled nursing homes; amending Minnesota Statutes 1988, section 256B.35, subdivision 1.

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

Frerichs introduced:

H. F. No. 748, A bill for an act relating to education; requiring planning by post-secondary systems; appropriating money.

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

Quinn, Bertram, Marsh, Gruenes and Steensma introduced:

H. F. No. 749, A bill for an act relating to veterans; providing for establishment of a veterans home in St. Cloud; proposing coding for new law in Minnesota Statutes, chapter 198.

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

McPherson, Valento, Hugoson, Kostohryz and Ozment introduced:

H. F. No. 750, A bill for an act relating to motor vehicles; providing for special license plates for veterans wounded in combat; amending Minnesota Statutes 1988, section 168.123, subdivision 2.

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

Sviggum, Bauerly, McEachern, Macklin and Gutknecht introduced:

H. F. No. 751, A bill for an act relating to taxation; property tax; modifying the formula for computing transition aid; repealing disparity reduction aid; amending Minnesota Statutes 1988, sections 124.155, subdivision 2; 124.2139; 273.1398, subdivisions 1, 5, and 6; 275.07, subdivision 1; and 276.04, subdivision 2; repealing Minnesota Statutes 1988, sections 273.1398, subdivision 3; and 275.08, subdivision 1c.

The bill was read for the first time and referred to the Committee on Taxes.

Sparby; Jaros; Lieder; Anderson, G., and Johnson, V., introduced:

H. F. No. 752, A bill for an act relating to agriculture; appropriating money to discharge mandated grain inspection costs at Duluth; proposing coding for new law in Minnesota Statutes, chapter 17B.

The bill was read for the first time and referred to the Committee on Agriculture.

Richter, Swenson, Schafer and McDonald introduced:

H. F. No. 753, A bill for an act relating to taxation; property; extending the homestead and agricultural credit to taxes payable after 1989; abolishing transition aid; repealing increases in income maintenance payments; amending Minnesota Statutes 1988, sections 124.155, subdivision 2; 124.2131, subdivision 3; 124.2139; 124A.02, subdivision 3a; 256.01, subdivision 2; 256.72; 256.81; 256.82, subdivision 1; 256.863; 256.871, subdivision 6; 256.935, subdivision 1; 256.991; 256B.041, subdivisions 5 and 7; 256B.05, subdivision 1; 256B.091, subdivision 8; 256B.15; 256B.19, subdivisions 1 and 2; 256D.03, subdivisions 2 and 6; 256D.04; 256D.36, subdivision 1; 256G.01, subdivision 3; 256G.02, subdivision 4; 256G.04, subdivision 1; 256G.05; 256G.07; 256G.10; 256G.11; 273.123, subdivisions 4 and 5; 273.124, subdivisions 11 and 13;

273.13, subdivisions 22 and 23; 273.132, subdivisions 1, 2, and 5; 273.135, subdivision 2; 273.1391, subdivision 2; 273.1392; 273.1398, subdivisions 1, 3, and 6; 273.165, subdivision 2; 275.065, subdivision 2; 275.07, subdivision 1; 275.08, subdivisions 1a and 1b; 275.50, subdivision 5; 275.51, subdivisions 3f and 3h; 276.04, subdivision 2; 290A.04, subdivision 2; 393.07, subdivisions 2 and 10; 473.446, subdivision 1; 473F.02, subdivision 23; 473F.05; 473F.06; 473F.07, subdivisions 1, 4, and 5; 473F.08, subdivisions 1, 2, 3a, 4, 5, 6, and 10; 473F.10; 477A.011, subdivisions 15 and 20; and 477A.013, subdivision 3; Laws 1988, chapter 719, article 5, sections 81 and 84; repealing Minnesota Statutes 1988, sections 256.017; 256.018; 256.019; 273.13, subdivision 21a; 273.135, subdivision 2a; 273.1391, subdivision 2a; 273.1398, subdivisions 2 and 5; 275.07, subdivision 3; 275.08, subdivision 1c; 290A.04, subdivision 2b; and Laws 1988, chapter 719, article 8, sections 32, 33, 34, 35, and 36.

The bill was read for the first time and referred to the Committee on Taxes.

Brown; Nelson, C.; Uphus; Trimble and Wenzel introduced:

H. F. No. 754, A bill for an act relating to agriculture; prohibiting bovine growth hormone; proposing coding for new law in Minnesota Statutes, chapter 32.

The bill was read for the first time and referred to the Committee on Agriculture.

Tompkins, Pugh, Ozment, Battaglia and Milbert introduced:

H. F. No. 755, A bill for an act relating to the Vermillion River watershed district; changing certain approval procedures.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Rukavina, Quinn and Steensma introduced:

H. F. No. 756, A bill for an act relating to veterans; changing qualifications for veterans service officers; amending Minnesota Statutes 1988, section 197.601.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Schreiber; Valento; Olsen, S.; Jacobs and Jennings introduced:

H. F. No. 757, A bill for an act proposing an amendment to the Minnesota Constitution, article IV, sections 2 and 3; providing for a legislature with a total of 120 to 168 members.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Vellenga, Scheid, Kelso, Trimble and Hugoson introduced:

H. F. No. 758, A bill for an act relating to education; proposing department of education lifelong learning initiatives; appropriating money; amending Minnesota Statutes 1988, sections 124.26, subdivision 1c; 124.26, subdivision 7; and 275.125, subdivision 8; proposing coding for new law in Minnesota Statutes, chapter 124.

The bill was read for the first time and referred to the Committee on Education.

Welle, Morrison, Kostohryz, Steensma and Ogren introduced:

H. F. No. 759, A bill for an act relating to veterans; requiring a presentence investigation report on a convicted veteran to include information on whether the veteran is suffering from a posttraumatic stress disorder; requiring the chief executive officers of correctional facilities to provide veteran inmates suffering from posttraumatic stress disorders with appropriate medical care; amending Minnesota Statutes 1988, sections 241.06; and 609.115, by adding a subdivision.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Dille, Cooper, Burger, Girard and Hugoson introduced:

H. F. No. 760, A bill for an act relating to the legislature; requiring the legislature to conform to the standards of the open meeting law; proposing coding for new law in Minnesota Statutes, chapter 3.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Simoneau and Heap introduced:

H. F. No. 761, A bill for an act relating to judgments; providing a

reasonable exemption for employee benefits; amending Minnesota Statutes 1988, section 550.37, subdivision 24.

The bill was read for the first time and referred to the Committee on Judiciary.

Dempsey, Valento, Dorn, Jacobs and Stanius introduced:

H. F. No. 762, A resolution memorializing Congress of ratification of a proposed amendment to the Constitution of the United States to provide for a delay in an increase in compensation to members of Congress until an intervening election of representatives has occurred.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Jefferson, O'Connor, Otis and Tjornhom introduced:

H. F. No. 763, A bill for an act relating to eminent domain; providing for relocation benefits for displaced persons; amending Minnesota Statutes 1988, section 117.52, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Kahn and Sarna introduced:

H. F. No. 764, A bill for an act relating to medical assistance for needy persons; proposing changes to the method for calculating a nursing home's property-related payment rate upon refinancing; amending Minnesota Statutes 1988, section 256B.431, subdivisions 3f and 3g.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Murphy, Boo and Jaros introduced:

H. F. No. 765, A bill for an act relating to the Western Lake Superior Sanitary District; authorizing the district to issue refunding obligations without redemption of outstanding obligations prior to maturity; amending Laws 1971, chapter 478, section 9a, subdivision 4, as added; and section 13, subdivision 4.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Rest; Olsen, S.; Brown; Schreiber and Long introduced:

H. F. No. 766, A bill for an act relating to taxation; property; classifying certain utility personal property; amending Minnesota Statutes 1988, section 273.13, subdivision 24.

The bill was read for the first time and referred to the Committee on Taxes.

Ostrom, Frederick, Dorn, Dempsey and Conway introduced:

H. F. No. 767, A bill for an act relating to veterans; providing for establishment of a veterans home in St. Peter; proposing coding for new law in Minnesota Statutes, chapter 198.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Dempsey introduced:

H. F. No. 768, A bill for an act relating to motor carriers; deregulating irregular route common carriers; amending Minnesota Statutes 1988, section 221.111; proposing coding for new law in Minnesota Statutes, chapter 221; repealing Minnesota Statutes 1988, section 221.121, subdivision 6a.

The bill was read for the first time and referred to the Committee on Transportation.

Valento and McGuire introduced:

H. F. No. 769, A bill for an act relating to economic development; appropriating money to plan a sports and recreation facility.

The bill was read for the first time and referred to the Committee on Economic Development.

Tunheim introduced:

H. F. No. 770, A bill for an act relating to state lands; directing conveyance of a certain tract in Beltrami county.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Dille; Jennings; Price; Johnson, R., and Carlson, D., introduced:

H. F. No. 771, A bill for an act relating to water; recodifying, clarifying, and relocating provisions relating to water law; amending Minnesota Statutes 1988, sections 9.071; 16B.62, subdivision 1; 18.191; 18B.07, subdivision 6; 40A.13, subdivision 1; 41B.039, subdivision 3; 84.083, by adding subdivisions; 84.91, subdivision 4; 84.911, subdivisions 5 and 6; 84.95, subdivision 2; 85.33, subdivision 3; 86A.05, subdivision 10; 88.43, subdivision 2; 93.335, subdivision 1; 94.343, subdivision 4; 97A.015, subdivision 41; 97A.071, subdivision 4; 97A.101, subdivision 2; 115.097, subdivision 2; 144.95, subdivision 4; 156A.10, subdivision 2; 161.28, subdivision 1; 163.17; 272.02, subdivisions 1 and 6; 273.19, subdivision 5; 295.44, subdivision 1; 357.021, subdivision 2; 375.471; 383A.602, subdivision 5; 383A.604, subdivision 1; 394.25, subdivision 2; 459.20; 462.357, subdivision 1; 465.20; 469.141, subdivision 4; 469.174, subdivision 19; 471.345, subdivision 3; 471.591, subdivision 1; 471.98, subdivision 2; 473.191, subdivision 2; 609.68; and 645.44, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 83A; 156A; and 375; proposing coding for new law as Minnesota Statutes, chapters 86B; 103A; 103B; 103C; 103D; 103E; 103F; and 103G; repealing Minnesota Statutes 1988, sections 40.01 to 40.45; 84.031; 84.032; and 84.158; 104.01 to 104.50; 105.37 to 105.81; 106A.005 to 106A.811; 110.13 to 110.72; 110B.01 to 110B.35; 112.34 to 112.89; 114.12 and 114.13; 114B.01 to 114B.07; 116C.41; 361.01 to 361.29; 378.01 to 378.57; 465.18; and 473.875 to 473.883.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

### MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 171 and 300:

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 171, A bill for an act relating to law libraries; permitting

fees to be set annually; amending Minnesota Statutes 1988, section 140.422, subdivision 4.

The bill was read for the first time.

Swenson moved that S. F. No. 171 and H. F. No. 370, now on the Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 300, A bill for an act relating to crimes; repealing law regulating dance halls; repealing Minnesota Statutes 1988, sections 624.42 to 624.54.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

### CONSENT CALENDAR

H. F. No. 264 was reported to the House.

Olsen, S., moved that H. F. No. 264 be continued on the Consent Calendar for one day. The motion prevailed.

### CALENDAR

H. F. No. 326, A bill for an act relating to human services; requiring nursing homes to fully participate in Medicare for medical assistance participation; defining full participation; providing residents with the right to refuse a transfer; amending Minnesota Statutes 1988, section 256B.48, subdivision 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 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Bishop	Conway	Frerichs	Henry
Anderson, G.	Blatz	Cooper	Girard	Himle
Anderson, R.	Boo	Dauner	Greenfield	Hugoson
Battaglia	Brown	Dawkins	Gruenes	Jacobs
Bauerly	Burger	Dempsey	Gutknecht	Janezich
Beard	Carlson, D.	Dille	Hartle	Jaros
Begich	Carlson, L.	Dorn	Hasskamp	Jefferson
Bennett	Carruthers	Forsythe	Haukoos	Jennings
Bertram	Clark	Frederick	Heap	Johnson, A.

Johnson, R.	McEachern	Orenstein	Richter	Tjornhom
Johnson, V.	McGuire	Osthoff	Rodosovich	Tompkins
Kalis	McPherson	Ostrom	Rukavina	Trimble
Kelly	Miller	Otis	Runbeck	Tunheim
Kelso	Morrison	Ozment	Sarna	Uphus
Kinkel	Munger	Pappas	Schafer	Valento
Knickerbocker	Murphy	Pauly	Scheid	Vellenga
Kostohryz	Nelson, C.	Pellow	Schreiber	Wagenius
Krueger	Nelson, K.	Pelowski	Seaberg	Waltman
Lasley	Neuenschwander	Peterson	Segal	Weaver
Lieder	O'Connor	Poppenhagen	Simoneau	Welle
Limmer	Ogren	Price	Skoglund	Wenzel
Long	Olsen, S.	Pugh	Sparby	Williams
Lynch	Olsen, E.	Redalen	Stanius	Winter
Macklin	Olsen, K.	Reding	Steenasma	Wynia
Marsh	Omann	Rest	Sviggum	Spk. Vanasek
McDonald	Onnen	Rice	Swenson	

The bill was passed and its title agreed to.

S. F. No. 28, A bill for an act relating to probate; providing for adult health care decisions; imposing penalties; proposing coding for new law as Minnesota Statutes, chapter 145B.

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 102 yeas and 31 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kostohryz	Orenstein	Segal
Anderson, G.	Frerichs	Krueger	Osthoff	Simoneau
Anderson, R.	Greenfield	Lasley	Ostrom	Skoglund
Beard	Gutknecht	Lieder	Otis	Sparby
Bennett	Hartle	Limmer	Ozment	Stanius
Bishop	Haukoos	Long	Pappas	Sviggum
Blatz	Heap	Macklin	Pauly	Swenson
Boo	Henry	McDonald	Pellow	Trimble
Brown	Himle	McGuire	Pelowski	Tunheim
Burger	Hugoson	McLaughlin	Peterson	Valento
Carlson, D.	Janezich	Miller	Poppenhagen	Vellenga
Carlson, L.	Jaros	Morrison	Price	Wagenius
Carruthers	Jefferson	Munger	Redalen	Waltman
Clark	Jennings	Nelson, C.	Reding	Weaver
Conway	Johnson, A.	Nelson, K.	Rest	Welle
Cooper	Johnson, R.	Neuenschwander	Rukavina	Williams
Dauner	Johnson, V.	O'Connor	Runbeck	Wynia
Dawkins	Kahn	Ogren	Schafer	Spk. Vanasek
Dille	Kelly	Olsen, S.	Scheid	
Dorn	Kinkel	Olsen, E.	Schreiber	
Forsythe	Knickerbocker	Olson, K.	Seaberg	

Those who voted in the negative were:

Battaglia	Dempsey	Jacobs	Marsh	Murphy
Bauerly	Girard	Kalis	McEachern	Omann
Begich	Gruenes	Kelso	McPherson	Onnen
Bertram	Hasskamp	Lynch	Milbert	Pugh

Quinn  
Rice  
Richter

Rodesovich  
Sarna  
Steenma

Tjornhom  
Tompkins  
Uphus

Wenzel  
Winter

The bill was passed and its title agreed to.

## GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Vanasek in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 268, 175 and 279 were recommended to pass.

H. F. No. 210, the first engrossment, which it recommended to pass with the following amendment offered by Price:

Page 2, line 26, delete "sale," and delete "or conveyance"

On the motion of Wynia the report of the Committee of the Whole was adopted.

## MOTIONS AND RESOLUTIONS

Olsen, S., moved that the names of Carruthers and Runbeck be added as authors on H. F. No. 20. The motion prevailed.

Clark moved that the name of Trimble be added as an author on H. F. No. 300. The motion prevailed.

Nelson, C., moved that the name of Sparby be stricken and the name of Dille be added as an author on H. F. No. 521. The motion prevailed.

Reding moved that the name of Dauner be added as an author on H. F. No. 557. The motion prevailed.

Pappas moved that the name of Dawkins be added as an author on H. F. No. 574. The motion prevailed.

Rukavina moved that the name of Clark be added as an author on H. F. No. 644. The motion prevailed.

Tunheim moved that the name of Sparby be added as an author on H. F. No. 683. The motion prevailed.

Carlson, D., moved that the name of Johnson, V., be added as an author on H. F. No. 693. The motion prevailed.

Vellenga moved that H. F. No. 717 be recalled from the Committee on Education and be re-referred to the Committee on Health and Human Services. The motion prevailed.

Price moved that the names of Swenson, McPherson and Johnson, V., be added as authors on H. F. No. 210. The motion prevailed.

Frederick moved that H. F. No. 204 be returned to its author. The motion prevailed.

#### ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 2:30 p.m., Thursday, February 23, 1989. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Thursday, February 23, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION — 1989

## FIFTEENTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, FEBRUARY 23, 1989.

The House of Representatives convened at 2:30 p.m. and was called to order by Robert E. Vanasek, Speaker of the House.

Prayer was offered by Professor Wendell Frerichs of the Luther Northwestern Seminary, St. Paul, Minnesota.

The roll was called and the following members were present:

Abrams	Frerichs	Krueger	Orenstein	Segal
Anderson, G.	Girard	Lasley	Osthoff	Simoneau
Anderson, R.	Greenfield	Lieder	Ostrom	Skoglund
Battaglia	Gruenes	Limmer	Otis	Sparby
Bauerly	Gutknecht	Long	Ozment	Stanius
Beard	Hartle	Lynch	Pappas	Steensma
Begich	Hasskamp	Macklin	Pauly	Sviggum
Bennett	Haukoos	Marsh	Pellow	Swenson
Bertram	Heap	McDonald	Pelowski	Tjornhom
Bishop	Henry	McEachern	Peterson	Tompkins
Blatz	Himle	McGuire	Poppenhagen	Trimble
Boo	Hugoson	McLaughlin	Price	Tunheim
Brown	Jacobs	McPherson	Pugh	Uphus
Burger	Janezich	Milbert	Quinn	Valento
Carlson, D.	Jaros	Miller	Redalen	Vellenga
Carlson, L.	Jefferson	Morrison	Reding	Wagenius
Carruthers	Jennings	Munger	Rest	Waltman
Clark	Johnson, A.	Murphy	Rice	Weaver
Conway	Johnson, R.	Nelson, C.	Richter	Welle
Cooper	Johnson, V.	Nelson, K.	Rodosovich	Wenzel
Dauner	Kahn	Neuenschwander	Rukavina	Williams
Dawkins	Kalis	Ogren	Runbeck	Winter
Dempsey	Kelly	Olsen, S.	Sarna	Wynia
Dille	Kelso	Olsen, E.	Schafer	Spk. Vanasek
Dorn	Kinkel	Olsen, K.	Scheid	
Forsythe	Knickerbocker	Omann	Schreiber	
Frederick	Kostohryz	Onnen	Seaberg	

A quorum was present.

O'Connor and Solberg were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Winter 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

Pursuant to Rules of the House, printed copies of H. F. Nos. 371, 148, 214 and 210 and S. F. Nos. 171 and 300 have been placed in the members' files.

S. F. No. 171 and H. F. No. 370, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Swenson moved that S. F. No. 171 be substituted for H. F. No. 370 and that the House File be indefinitely postponed. The motion prevailed.

#### REPORTS OF STANDING COMMITTEES

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 15, A bill for an act relating to public safety; authorizing fire department access to criminal history data; proposing coding for new law in Minnesota Statutes, chapter 299F.

Reported the same back with the following amendments:

Page 1, line 21, delete "comparable"

Page 1, line 22, delete everything before the period

Page 1, line 23, delete "but is not limited to"

Page 2, delete lines 1 and 2 and insert:

"(2) a procedure for the hiring authority in each fire protection agency to fingerprint job applicants, submit requests to the bureau of criminal apprehension, and obtain state and federal criminal history data reports for a nominal fee.

Subd. 3. [RELATION OF CONVICTION TO FIRE PROTECTION.] Criminal history data may be employed in assessing fire protection agency job applicants only if the criminal history data directly relates to the position of employment sought.

Subd. 4. [DETERMINATION OF RELATIONSHIP.] In determining if criminal history data directly relates to fire protection, the hiring authority shall consider:

(1) the nature and seriousness of any criminal history data of the job applicant;

(2) the relationship of the criminal history data to the purposes of regulating the position of employment sought; and

(3) the relationship of the criminal history data to the ability, capacity, and fitness required to perform the duties and discharge the responsibilities of the position of employment sought.

Sec. 2. Minnesota Statutes 1988, section 364.09, is amended to read:

**364.09 [EXCEPTIONS.]**

This chapter shall not apply to the practice of law enforcement, to fire protection agencies, to eligibility for a family day care license, a family foster care license, a home care provider license, or to eligibility for school bus driver endorsements. Nothing in this section shall be construed to preclude the Minnesota police and peace officers training board or the state fire marshal from recommending policies set forth in this chapter to the attorney general for adoption in the attorney general's discretion to apply to law enforcement or fire protection agencies."

Amend the title as follows:

Page 1, line 3, after the semicolon insert "limiting use of criminal history data in assessing fire protection agency job applicants; amending Minnesota Statutes 1988, section 364.09;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 32, A bill for an act relating to taxation; motor vehicle excise; exempting purchase or use of a motor vehicle by a political subdivision or a veteran's organization for certain purposes; amending Minnesota Statutes 1988, section 297B.03.

Reported the same back with the following amendments:

Page 2, line 21, after "veterans" insert "(i)"

Page 2, line 23, after "rehabilitation" insert "; or (ii) for recreational purposes in cases where the military service veteran has no reasonable alternative method of transportation to the recreational activity"

Page 2, after line 26, insert:

"A refund of taxes paid issued pursuant to the retroactive effective date of section 1 must be used by the organization or political subdivision for the purchase or use of the motor vehicle or for related costs of transporting military service veterans for the purposes stated in section 1, clause (7)."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Otis from the Committee on Economic Development to which was referred:

H. F. No. 42, A bill for an act relating to economic development; permitting state agencies and local jurisdictions to invest in a working capital fund; amending Minnesota Statutes 1988, section 137.31, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 16B, 161, 471, and 473.

Reported the same back with the following amendments:

Page 1, line 10, delete ", subject to other applicable law,"

Page 1, line 11, after "contribute" insert "by grant"

Page 1, line 17, delete everything after "eligible" and insert "minority business enterprises defined under this section:

(1) to be awarded contracts or subcontracts; or

(2) to enter into other agreements

for providing goods or services, or for providing other construction related services, to government agencies."

Page 1, delete lines 18 and 19

Pages 1 and 2, delete section 2

Page 2, line 8, delete “, subject to other applicable law,”

Page 2, line 9, after “contribute” insert “by grant”

Page 2, line 15, delete everything after “eligible” and insert “minority business enterprises defined under this section:”

(1) to be awarded contracts or subcontracts; or

(2) to enter into other agreements

for providing goods or services, or for providing other construction related services, to government agencies.

Money contributed from a constitutionally or statutorily dedicated fund must be used only for purposes consistent with the purposes of the dedicated fund.”

Page 2, delete lines 16 and 17

Page 2, lines 19 and 20, delete “school district,”

Page 2, line 20, delete “, subject to other applicable law,”

Page 2, line 21, after “contribute” insert “by grant”

Page 2, line 27, delete everything after “eligible” and insert “minority business enterprises defined under this section:”

(1) to be awarded contracts or subcontracts; or

(2) to enter into other agreements

for providing goods or services, or for providing other construction related services, to government agencies.”

Page 2, delete lines 28 and 29

Page 2, lines 32 and 33, delete “, subject to other applicable law,”

Page 2, line 33, after “contribute” insert “by grant”

Page 3, delete lines 4 and 5, and insert “minority business enterprises defined under this section:”

(1) to be awarded contracts or subcontracts; or

(2) to enter into other agreements

for providing goods or services, or for providing other construction related services, to government agencies."

Page 3, line 7, delete "5" and insert "4"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete everything after the semicolon

Page 1, delete line 5

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 43, A bill for an act relating to tax-forfeited lands; authorizing St. Louis county to sell certain tax-forfeited lands adjacent to public waters by private sale.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [PUBLIC SALE OF TAX-FORFEITED LAND; ST. LOUIS COUNTY.]

(a) Notwithstanding Minnesota Statutes, section 282.018, St. Louis county may sell the tax-forfeited land bordering public water and described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general.

(c) The land that may be conveyed is located in St. Louis county and is described as:

(1) Lots 4 and 5, Block 1, and Lots 2, 4, 5, and 6, Block 2, of Rearrangement of Part of Stoney Brook Park, Mt. Iron; and

(2) Lot 6, Block 1, of Stoney Brook Park, Mt. Iron.

(d) The county has determined that the county's land management interests would best be served if the lands were privately owned.

Sec. 2. [PRIVATE SALES OF TAX-FORFEITED LANDS; ST. LOUIS COUNTY.]

(a) Notwithstanding Minnesota Statutes, section 282.018 or the public sale provisions of Minnesota Statutes, chapter 282, St. Louis county may sell the tax-forfeited lands bordering public waters and described in paragraph (c) to the persons indicated, by private sale for not less than appraised value.

(b) The conveyances must be in a form approved by the attorney general.

(c) The following lands located in St. Louis county may be sold to the persons indicated:

(1) to Charlotte Ekroot, Windigo Lodge, Grand Marais: that part of the Southeast Quarter of the Northwest Quarter of Section 9, Township 55 North, Range 12 West, lying west of the township road;

(2) to Manson Berg, 2930 Miller Trunk Highway, Duluth: the easterly 164.1 feet of the South Half of the Northwest Quarter of the Southwest Quarter of the Southwest Quarter, Section 12, Township 50 North, Range 15 West;

(3) to Mablo Enrico, 202 First Street NW, Chisholm: part of Outlot B, beginning at a point 83.96 feet South and 212.77 feet West of the Northwest corner, go South 47 degrees 9 minutes East 393 feet to a point on the West line of a platted road, thence South 42 degrees 51 minutes West along the west side of said road 100 feet, thence North 47 degrees 9 minutes West 396 feet to a point on the shore of Long Lake, thence in a northerly and easterly direction 100 feet to the point of beginning. Plat of Long Lake Beach, Lot 1, Sec. 17, Lot 7, Section 18, all in Township 59 North, Range 20 West;

(4) to William Moffat, P. O. Box 434, Tower: undivided  $\frac{3}{8}$ ths interest in the easterly 175 feet of Government Lot 8, Section 19, Township 62 North, Range 14 West;

(5) to Rodney and Mary Lou Halunen, 1009 1st Street South, Virginia: the North Half of Lot 8 of Ruth Ann's Acres, Little Fourteen Lake, Government Lot 1, Section 13, Township 60 North, Range 19 West; and

(6) to Steve Prelesnik, Route 1, Box 790, Britt: the South Half of Lot 8 of Ruth Ann's Acres, Little Fourteen Lake, Government Lot 1, Section 13, Township 60 North, Range 19 West.

(d) The county board has determined that the county's land management interests would best be served if the lands were privately owned.

Sec. 3. [PRIVATE SALE OF TAX-FORFEITED LAND; ST. LOUIS COUNTY.]

Notwithstanding Minnesota Statutes, section 282.018, or the public sale provisions of Minnesota Statutes, chapter 282, St. Louis county may sell the property described in this section by private sale to Lawrence and Marjo Mencil, 1715 Maryland Avenue, Superior, Wisconsin.

The conveyance must be in a form approved by the attorney general.

The property that may be sold is located in St. Louis county and described as: an undivided one-half interest in Lot 23, Bass Lake Shores, that is platted as part of Government Lot 8, Section 34, Township 55, North of Range 15, West of the fourth principal meridian.

An undivided one-half interest of Lot 23 was forfeited for nonpayment of delinquent taxes for the years 1950 and 1953. The Mencels own the other undivided one-half interest in Lot 23 and an adjacent parcel that includes a building partially located on Lot 23.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to state lands; authorizing St. Louis county to sell certain tax-forfeited lands bordering public waters."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 72, A bill for an act relating to elections; providing for the removal of certain voter registration cards; amending Minnesota Statutes 1988, section 201.13.

Reported the same back with the following amendments:

Page 1, line 23, delete "while maintaining residence"

Page 2, after line 3, insert:

"Sec. 2. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 79, A bill for an act relating to gambling; authorizing the governor, the attorney general, the speaker of the house, and the majority leader of the senate to negotiate a tribal-state compact pursuant to the Indian gaming regulatory act; proposing coding for new law in Minnesota Statutes, chapter 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [3.9221] [INDIAN TRIBES; COMPACTS TO BE NEGOTIATED.]

Subdivision 1. [DEFINITION.] For purposes of this section, "act" means the Indian Gaming Regulatory Act, Public Law Number 100-497 and future amendments to it.

Subd. 2. [NEGOTIATIONS AUTHORIZED.] The governor, the speaker of the house, and the majority leader of the senate, or their designated representatives, shall, pursuant to section 11 of the act, negotiate in good faith a tribal-state compact regulating the conduct of class III gambling, as defined in section 4 of the act, on Indian lands of a tribe requesting negotiations. A designated representative of the governor must be a person employed in the office of the governor or in the state planning agency at the time of the designation. A designated representative of the speaker of the house or the senate majority leader must be a member of the house or the senate respectively. The agreement may include any provision authorized under section 11(d)(3)(C) of the act. The attorney general is the legal counsel for the governor, speaker of the house, and the majority leader of the senate, or their designees, in regard to negotiating a compact under this section.

Subd. 3. [CONTENT OF COMPACT.] A compact under subdivision 2 must govern class III gaming activity on Indian lands with respect to the following:

- (1) amounts which may be offered as prizes or winnings;
- (2) frequency with which class III gaming may be conducted;
- (3) minimum age for participation in class III gaming or the conduct of class III gaming;
- (4) licensing of entities authorized to conduct class III gaming;
- (5) licensing of and specifications for gaming equipment used in class III gaming;
- (6) recording and reporting on the frequency, gross receipts, expenses, profits, and expenditures of profits from class III gaming; and
- (7) rules of play for class III gaming.

Subd. 4. [REPORT.] The persons authorized by subdivision 2 to negotiate on behalf of the state a tribal-state compact must, before signing the compact on behalf of the state, report on its content to the senate committee on general legislation and public gaming and the house committee on general legislation, veterans affairs, and gaming.

## Sec. 2. [TERMS OF COMPACT; RIGHTS OF PARTIES.]

A compact agreed to on behalf of the state under section 1 must contain:

- (1) a provision recognizing the right of each party to the agreement, including the legislature by joint resolution, to request that the agreement be renegotiated or replaced by a new compact, and providing the terms under which either party, including the legislature, can request a renegotiation or the negotiation of a new compact; and
- (2) a provision that in the event of a request for a renegotiation or a new compact the existing compact will remain in effect until renegotiated or replaced.

## Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to gambling; authorizing the governor, the speaker of the house, and the majority leader of the senate to negotiate a tribal-state compact pursuant to the Indian gaming regulatory act; proposing coding for new law in Minnesota Statutes, chapter 3."

With the recommendation that when so amended the bill pass.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 85, A bill for an act relating to public safety; regulating boiler operation and inspections; amending Minnesota Statutes 1988, sections 183.42; and 183.45.

Reported the same back with the following amendments:

Page 2, line 35, delete "by" and insert "under the direction of" and after "owner" insert ", contractor,"

Page 3, line 11, before "operating" insert "boiler water treatment"

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. 106, A bill for an act relating to game and fish; selection process for wild turkey license holders; amending Minnesota Statutes 1988, section 97A.435, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [97B.723] [COMMISSIONER MAY LIMIT NUMBER OF TURKEY HUNTERS.]

The commissioner may establish a method, including a drawing, to impartially select persons eligible to take turkeys in an area. Preference must be given to persons that have previously applied in the general selection but have not been selected."

Delete the title and insert:

"A bill for an act relating to game and fish; selection process for wild turkey license holders; proposing coding for new law in Minnesota Statutes, chapter 97B."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 201, A bill for an act relating to liquor; increasing age for provisional driver's license to 21 years; providing for fees; providing for license suspension for minors misrepresenting their age for purposes of purchasing alcoholic beverages; providing penalty for misuse of Minnesota identification card; amending Minnesota Statutes 1988, sections 171.02, subdivision 3; 171.06, subdivision 2; 171.07, subdivision 1; 171.171; 171.22; 171.27; 340A.503, subdivision 6; and 340A.801, by adding a subdivision.

Reported the same back with the following amendments:

Page 6, line 15, delete "reasonably and in good faith"

Page 6, line 18, after "beverage" insert "and that such reliance was justified, undertaken prudently and carefully, and was in good faith"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 267, A bill for an act relating to the military; reducing from two years to one year the number of years the adjutant general of the Minnesota national guard is required to serve as a brigadier general before promotion to major general; amending Minnesota Statutes 1988, section 190.07.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 321, A bill for an act relating to consumer protection; regulating new motor vehicle sales; limiting a dealer's liability due to the manufacturer's failure to repair, refund, or replace nonconforming vehicles; amending Minnesota Statutes 1988, section 325F.665, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 20, delete "in the absence of" and insert "unless there is"

Page 1, line 21, after "had" insert "not"

Page 1, line 22, after "a" insert "timely manner or in a" and delete "inconsistent" and insert "consistent"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 322, A bill for an act relating to consumer protection; regulating the sale of used motor vehicles; modifying certain definitions; amending Minnesota Statutes 1988, section 325F.662, subdivisions 1 and 3.

Reported the same back with the following amendments:

Page 2, line 12, after "warranty" insert "which provides coverage at least as broad with respect to covered components and duration as that required by this section"

Page 3, line 12, after "sold" insert "is unrepaired and"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 323, A bill for an act relating to commerce; regulating motor vehicle sales and distribution; determining reasonable compensation for warranty services performed by dealers; amending Minnesota Statutes 1988, section 80E.04, subdivision 2.

Reported the same back with the following amendments:

Page 1, line 24, delete "the dealer's cost plus 30 percent"

Page 1, line 25, delete "or"

With the recommendation that when so amended the bill pass.

The report was adopted.

Begin from the Committee on Labor-Management Relations to which was referred:

H. F. No. 376, A bill for an act relating to public safety; regulating the operation and operators of elevators; amending Minnesota Statutes 1988, sections 183.351, by adding a subdivision; and 183.355; proposing coding for new law in Minnesota Statutes, chapter 183.

Reported the same back with the following amendments:

Page 1, after line 13, insert:

"Sec. 2. [183.02] [DEFINITIONS.]

Subdivision 1. [SCOPE.] When used in this chapter, the terms defined in this section have the meanings given them.

Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of the department of labor and industry.

Subd. 3. [DEPARTMENT.] "Department" means the department of labor and industry.

Sec. 3. [183.022] [ELEVATOR AVAILABLE FOR INSPECTION.]

A person, firm, entity, or corporation that owns or controls a building or other structure housing an elevator that is subject to inspection by the department, shall, upon request, provide access to the elevator for purposes of inspection.

Page 1, line 16, after "means" insert "moving walks and vertical transportation devices such as escalators, temporary construction personnel elevators,"

Page 1, line 19, after "temporary" insert "material"

Page 2, line 14, after "person" insert ", firm, or corporation"

Page 2, line 33, delete everything after "municipality"

Page 2, delete lines 34 to 36

Page 3, line 1, delete everything before "provide" and insert "that conducts a system of elevator inspection on a periodic basis in conformity with this chapter, state building code requirements, adopted rules, and codes adopted by rule and that employs inspectors meeting the minimum requirements established by rule, may"

Page 3, line 3, delete everything after "elevators"

Page 3, delete line 4

Page 3, line 5, delete "with minimum state standards"

Page 3, line 19, after "inspectors" insert "that must include possession of a current journeyman elevator electricians license issued by the state board of electricity and proof of successful completion of the national elevator construction mechanic examination or equivalent experience"

Page 3, line 21, delete "and"

Page 3, line 22, after "standards" insert "; and

(6) to establish procedures for appeals of decisions of the commissioner pursuant to chapter 14 and procedures allowing the commissioner, prior to issuing a decision, to seek advice from the elevator trade, building owners or managers, and others knowledgeable in the installation, construction, and repair of elevators"

Renumber the sections in sequence

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 391, A bill for an act relating to peace officers; providing benefits to good samaritans who assist peace officers; amending Minnesota Statutes 1988, section 176B.01, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

**“Section 1. [PEACE OFFICER BENEFIT.]**

For the purposes of Minnesota Statutes, chapter 176B, a “peace officer” as defined in section 176B.01, subdivision 2, includes any person who was a volunteer or compensated member of a fire and rescue unit recognized by a local government unit who was giving assistance at the scene of a traffic accident on October 28, 1987, and who subsequently died as a result of injuries incurred at the scene of that accident. The assistance need not have been given pursuant to any order or request but may have been given on a voluntary, good samaritan basis.

Sec. 2. Minnesota Statutes 1988, section 176B.01, subdivision 2, is amended to read:

**Subd. 2. [PEACE OFFICER.] “Peace officer” means:**

(a) a police officer employed by the state of Minnesota or any governmental subdivision within the state to enforce the criminal laws;

(b) a Minnesota state patrol officer;

(c) a sheriff or full-time deputy sheriff with power of arrest by warrant;

(d) a state conservation officer as defined in section 84.028, subdivision 3;

(e) a person employed by the bureau of criminal apprehension as a police officer with power of arrest by warrant;

(f) a correction officer employed at any correctional institution and charged with maintaining the safety, security, discipline and custody of inmates at such institutions;

(g) a firefighter employed on a full-time basis by a fire department of any governmental subdivision of the state who is engaged in the hazards of firefighting or a regularly enrolled member of a volunteer fire department or member of an independent nonprofit firefighting corporation who is engaged in the hazards of fire fighting;

(h) a good samaritan who complies with the request or direction of a peace officer to assist the officer;

(i) a reserve police officer or a reserve deputy sheriff acting under the supervision and authority of a political subdivision; and

(j) a driver or attendant with a licensed basic or advanced life

support transportation service who is engaged in providing emergency care; and

(k) a first responder who is certified by the commissioner of health to perform basic emergency skills before the arrival of a licensed ambulance service and who is a member of an organized service recognized by a local political subdivision to respond to medical emergencies to provide initial medical care before the arrival of an ambulance.

Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective retroactive to October 1, 1987. Section 2 is effective July 1, 1989."

Delete the title and insert:

"A bill for an act relating to peace officers; providing eligibility for death benefits for certain fire and rescue unit members and other first responders; amending Minnesota Statutes 1988, section 176B.01, subdivision 2."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 408, A bill for an act relating to transportation; specifying that state airports fund money may be used as state's match of costs of the federal essential air services program; establishing registration classification for recreational aircraft; amending Minnesota Statutes 1988, sections 360.305, subdivision 2; and 360.55, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 410, A bill for an act relating to public safety; defining high pressure piping; regulating the practice of pipefitting; amending Minnesota Statutes 1988, section 326.461, subdivision 2.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 426, A bill for an act relating to the city of Mankato; authorizing location of certain polling places more than 3,000 feet outside precinct boundaries.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 502, A bill for an act relating to state lands; authorizing private conveyance of tax-forfeited land bordering public water in Washington county.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 520, A bill for an act relating to state government; restricting additional types of payroll deductions for state employees; proposing coding for new law in Minnesota Statutes, chapter 16A.

Reported the same back with the following amendments:

Page 1, line 14, after "employees" insert "or a compensation plan adopted under section 43A.18"

Page 1, line 15, after "agreement" insert "or compensation plan"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Labor-Management Relations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 527, A bill for an act relating to state parks; requiring collection facilities for recycling containers at state park entrances; proposing coding for new law in Minnesota Statutes, chapter 85.

Reported the same back with the following amendments:

Page 1, line 7, delete "CONTAINERS" and insert "RECEPTACLES"

Page 1, line 11, delete "barrels or other containers" and insert "receptacles" and delete "bottles and cans" and insert "food containers"

Page 1, line 12, delete "at or near the entrance station at" and insert "in"

Page 1, line 13, delete "given out to" and insert "available to all state park visitors."

Page 1, delete line 14

Page 1, line 16, delete "buildings" and insert "locations"

Page 1, line 18, delete "or"

Page 1, line 19, before the period insert ", or contract with private nonprofit groups for recycling"

Amend the title as follows:

Page 1, line 3, delete "at state park" and insert "in state parks"

Page 1, line 4, delete "entrances"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 531, A bill for an act relating to traffic regulations; providing for suspension of driver's license of person failing to appear in court following verbal promise to appear; amending Minnesota Statutes, section 169.92.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 169.92, is amended to read:

169.92 [FAILURE TO APPEAR.]

Subdivision 1. Any person willfully failing to appear in court as required by sections 169.90 to 169.95 is guilty of a misdemeanor, provided the person is found guilty of the charge upon which originally arrested. A person may appear in court either in person or through an appearance by counsel. A person is not required to sign a written promise to appear.

Subd. 2. When a nonresident person fails to appear or comply with other orders of the court regarding the appearance or proceedings, the court shall notify the commissioner of public safety of the nonappearance upon a form provided by the commissioner.

Subd. 3. Upon receipt of notice from the court that ~~the~~ a nonresident did not appear in court, the commissioner of public safety shall forward a copy of the report to the driver licensing authority of the state, district, territory, possession, or province of residence of the person.

Subd. 4. (a) Upon receiving a report from a court in this state or in another state, or from the driver licensing authority of a state, district, territory, or possession of the United States or a province of a foreign country which has an agreement in effect with this state pursuant to section 169.91, that a resident of this state or a person licensed as a driver in this state did not appear in court in compliance with the terms of the a citation in the party jurisdiction, the commissioner of public safety shall notify the driver that the driver's license will be suspended unless the commissioner receives notice within 30 days that the driver has appeared in the appropriate court ~~of the other jurisdiction.~~ If the commissioner does not receive notice of the appearance ~~of the Minnesota resident~~ in the appropriate court within 30 days of the date of the commissioner's notice to the driver, the commissioner may suspend the person's driver's license.

(b) The order of suspension shall indicate the reason for the order and shall notify the person driver that the person's driver's license shall remain suspended until the person driver has furnished evidence, satisfactory to the commissioner, of compliance with any order entered by the court.

(c) Suspension shall be ordered under this subdivision only when the report from the other jurisdiction clearly identifies the person arrested; describes the violation, specifying the section of the traffic law, ordinance or rule violated; indicates the location and date of the offense; and describes the vehicle involved and its registration number.

Sec. 2. Minnesota Statutes 1988, section 171.01, subdivision 13, is amended to read:

Subd. 13. [CONVICTION.] The term "conviction" means a final conviction either after trial or upon a plea of guilty; Also, a forfeiture of cash or collateral deposited to guarantee a defendant's appearance in court, which forfeiture has not been vacated, or, the failure to comply with a written notice to appear in court; or a breach of a condition of release without bail, is equivalent to a conviction.

Sec. 3. Minnesota Statutes 1988, section 171.20, subdivision 4, is amended to read:

Subd. 4. [REINSTATEMENT FEE.] A person whose drivers driver's license has been suspended under section 171.16, subdivision 2, 171.18, or 171.182 must pay a \$20 fee before the license is reinstated, except that a suspension may be rescinded without fee for good cause."

Delete the title and insert:

"A bill for an act relating to traffic regulations; providing for suspension of driver's license of certain persons failing to appear in court; setting a fee; amending Minnesota Statutes 1988, sections 169.92; 171.01, subdivision 13; and 171.20, subdivision 4."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

S. F. No. 32, A bill for an act relating to crimes; trespass; recodifying the law on dangerous trespasses and misdemeanor trespasses; prescribing penalties; amending Minnesota Statutes

1988, sections 609.02, subdivisions 12 and 13; 609.50; 609.55, subdivision 2, and by adding subdivisions; 609.576; 609.605; 609.85; 609.855, subdivisions 1 and 3; 624.731, subdivision 7; and 629.363; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes 1988, section 609.60.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 15, 43, 72, 79, 85, 106, 201, 267, 321, 322, 323, 410, 426, 502, 527 and 531 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 171 and 32 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Frerichs, Scheid, Runbeck, Henry and Milbert introduced:

H. F. No. 772, A bill for an act relating to health; exempting restaurants from liability for injuries caused by donation of prepared food; amending Minnesota Statutes 1988, section 31.50.

The bill was read for the first time and referred to the Committee on Judiciary.

Rodosovich introduced:

H. F. No. 773, A bill for an act relating to state government; financing the beginning farmer loan program; regulating certain administrative duties of the commissioner of finance; permitting certain financial arrangements; amending Minnesota Statutes 1988, sections 16A.065; 16A.27, subdivision 5; 16A.58; 16A.631; 16A.641, subdivision 7; 16A.661, subdivision 7; 16A.85; 41B.19, subdivision 5; 41B.195; 115A.58, subdivisions 1, 3, 4, and 5; 115A.59; 116.16, subdivisions 1, 2, 3, 4, 5, and 9; 116.17, subdivi-

sions 1, 3, and 5; 116.18, subdivisions 1, 4, 5, and 6; 124.42, subdivision 3; 136C.44; 216C.37, subdivision 6; 246.50, subdivision 5; 246.64, subdivision 1; 297.13, subdivision 1; 297.32, subdivision 9; and Laws 1987, chapter 396, article 12, section 10; repealing Minnesota Statutes 1988, sections 84B.08; 85A.04, subdivision 2; 115A.57; 136C.42; 136C.43, subdivisions 1, 2, and 3.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Olson, E.; Uphus; Sparby; Steensma and Winter introduced:

H. F. No. 774, A bill for an act relating to agriculture; changing voting rights in certain cooperative associations; amending Minnesota Statutes 1988, section 308.07, subdivision 4.

The bill was read for the first time and referred to the Committee on Agriculture.

Segal and Ozment introduced:

H. F. No. 775, A bill for an act relating to finance; appropriating money to the commissioner of public safety to develop fire safety standards for cigarettes and little cigars.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Abrams, Vanasek, Schreiber, Wynia and Segal introduced:

H. F. No. 776, A resolution memorializing the President and Congress to condemn the government of Iran because of its action against Salman Rushdie and to refuse efforts to return frozen Iranian assets to Iran.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Cooper introduced:

H. F. No. 777, A bill for an act relating to public safety; appropriating fees charged by state patrol and capitol complex security division for escort and contracted security services; proposing coding for new law in Minnesota Statutes, chapters 299D and 299E.

The bill was read for the first time and referred to the Committee on Appropriations.

Kinkel; Johnson, R.; Battaglia; Carlson, D.; and Janezich introduced:

H. F. No. 778, A bill for an act relating to natural resources; providing for a deficiency in the appropriation for emergency deer feeding; appropriating money.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Cooper; Nelson, C.; Brown; Dille and Krueger introduced:

H. F. No. 779, A bill for an act relating to county and district agricultural societies; appropriating money.

The bill was read for the first time and referred to the Committee on Agriculture.

Cooper, Dauner, Brown, Dille and Nelson, C., introduced:

H. F. No. 780, A bill for an act relating to insurance; township mutuals; permitting the directors to choose a manager who need not be a member of the board; expanding the permissible duties of the treasurer and manager; permitting township mutual fire insurance companies to cover certain secondary property; permitting township mutual insurance companies to insure secondary property outside the companies' territory under certain circumstances; setting forth a director's personal liability; amending Minnesota Statutes 1988, sections 67A.09, subdivision 1; 67A.12, subdivision 1; 67A.14, subdivisions 1 and 5; and 67A.17, subdivisions 2 and 3.

The bill was read for the first time and referred to the Committee on Insurance.

Sparby, Sarna, Bishop and Murphy introduced:

H. F. No. 781, A bill for an act relating to consumer protection; regulating deceptive trade practices; requiring manufacturers' rebates to be paid to purchasers within 30 business days; amending Minnesota Statutes 1988, section 325D.44, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Commerce.

Tunheim; Cooper; Lieder; Johnson, V., and Kalis introduced:

H. F. No. 782, A bill for an act relating to transportation; clarifying source of funds to be deposited in the rail service improvement account; requiring the commissioner of transportation to identify areas where insufficient rail service is detrimental to efficient transportation; providing for apportionment of costs for new grade crossings; providing for improvement of existing rail crossings; providing for reimbursement of expenses for maintaining signals and other safety devices; appropriating money; amending Minnesota Statutes 1988, sections 219.071, subdivision 1; 219.072; 222.49; 222.50, subdivisions 4, 5, 6, 7, and by adding a subdivision; 222.63, subdivision 8; and 398A.02; proposing coding for new law in Minnesota Statutes, chapter 219; repealing Minnesota Statutes 1988, section 222.50, subdivision 8.

The bill was read for the first time and referred to the Committee on Transportation.

Ozment, Lynch, Hugoson, Girard and Pellow introduced:

H. F. No. 783, A bill for an act relating to groundwater; establishing a legislative commission on water; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 3.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Jefferson, Greenfield, Clark, Boo and Orenstein introduced:

H. F. No. 784, A bill for an act relating to human services; allowing for allocation of federal fiscal disallowances; amending date for rule adoption for family and group family foster care; permitting charges for postadoption services; permitting charges for searches involving original birth certificate information; amending Minnesota Statutes 1988, sections 256.01, subdivision 2; 256F.05, subdivisions 2, 3, and 4; 257.071, subdivision 7; 259.47, subdivision 5; and 259.49, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 256E and 256F; repealing Minnesota Statutes 1988, section 256F.05, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Lieder introduced:

H. F. No. 785, A bill for an act relating to claims against the state; providing for payment of various claims; appropriating money.

The bill was read for the first time and referred to the Committee on Appropriations.

Rice, Ogren, O'Connor, Begich and Beard introduced:

H. F. No. 786, A bill for an act relating to employment; requiring prevailing wages to be paid on certain railroad projects assisted with state money; amending Minnesota Statutes 1988, section 222.50, subdivision 5.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

McDonald, McEachern, Runbeck and McPherson introduced:

H. F. No. 787, A bill for an act relating to education; modifying procedures under the enrollment options program; amending Minnesota Statutes 1988, section 120.062, subdivisions 4, 7, and by adding subdivisions.

The bill was read for the first time and referred to the Committee on Education.

Vellenga, Blatz, Greenfield, Kelly and Rest introduced:

H. F. No. 788, A bill for an act relating to human services; establishing state child mortality review panel; authorizing the state to require local reviews; protecting data generated by the review panel as confidential and nondiscoverable; clarifying neglect or endangerment of a child; amending Minnesota Statutes 1988, sections 256.01, by adding a subdivision; 609.378; 626.556, subdivision 2; and 626.558.

The bill was read for the first time and referred to the Committee on Judiciary.

Vellenga; Weaver; McGuire; Nelson, K., and Bauerly introduced:

H. F. No. 789, A bill for an act relating to education; providing for a survey of parents to be conducted to determine interest in a school breakfast program; requiring a school breakfast program to be operated in certain schools; requiring the commissioner of education to report to the legislature on activities related to school breakfast programs; appropriating money; amending Minnesota Statutes 1988, section 124.6471; proposing coding for new law in Minnesota Statutes, chapter 124.

The bill was read for the first time and referred to the Committee on Education.

Winter; Carlson, L.; Dauner; Anderson, G., and Steensma introduced:

H. F. No. 790, A bill for an act relating to education; appropriating money to establish and expand post-secondary nursing programs and for nursing scholarships.

The bill was read for the first time and referred to the Committee on Education.

Schreiber and Scheid introduced:

H. F. No. 791, A bill for an act relating to retirement; volunteer firefighters; excluding volunteer firefighters serving with the Brooklyn Park fire department from the definition of public employee.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Skoglund introduced:

H. F. No. 792, A bill for an act relating to consumer protection; prohibiting the sale of tobacco by vending machine in a public place; prescribing a penalty; proposing coding for new law in Minnesota Statutes, chapter 325E.

The bill was read for the first time and referred to the Committee on Commerce.

Jefferson, Simoneau, Burger, Otis and Clark introduced:

H. F. No. 793, A bill for an act relating to retirement; public employees local government correctional service retirement plan; expanding plan coverage to include certain Hennepin county medical center ambulance service personnel; amending Minnesota Statutes 1988, section 353C.02.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Simoneau introduced:

H. F. No. 794, A bill for an act relating to housing; authorizing the Minnesota housing finance agency to establish a housing rehabilitation program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 462A.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Jennings, Greenfield, Stanius, Murphy and Forsythe introduced:

H. F. No. 795, A bill for an act relating to human services; establishing requirements for payments for dental care under medical assistance and general assistance medical care; proposing coding for new law in Minnesota Statutes, chapter 256.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Carlson, D., introduced:

H. F. No. 796, A bill for an act relating to state lands; authorizing sale of certain tax-forfeited lands that border public waters in Pine county.

The bill was read for the first time and referred to the Committee on Governmental Operations.

McLaughlin, Begich and Beard introduced:

H. F. No. 797, A bill for an act relating to employment; regulating employment contracts; amending Minnesota Statutes 1988, section 268.96; proposing coding for new law in Minnesota Statutes, chapter 181.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Swenson, Vellenga, Blatz, Runbeck and Quinn introduced:

H. F. No. 798, A bill for an act relating to sentencing; requiring the sentencing guidelines commission to prohibit the use of amenability to treatment or probation as a reason for mitigated sentencing departures; disapproving sentencing guidelines modifications relating to the weight assigned for certain prior felonies; proposing coding for new law in Minnesota Statutes, chapter 244.

The bill was read for the first time and referred to the Committee on Judiciary.

Cooper, Kostohryz, Simoneau, Jefferson and Tjornhom introduced:

H. F. No. 799, A bill for an act relating to veterans; changing admissions, removal, and utilization review procedures for veterans homes; granting rulemaking authority to the veterans homes board; changing certain rights and presumptions; amending Minnesota Statutes 1988, sections 198.003; 198.007; 198.022; 198.03; and 198.32; proposing coding for new law in Minnesota Statutes, chapter 198.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Reding; Simoneau; Johnson, R.; Knickerbocker and O'Connor introduced:

H. F. No. 800, A bill for an act relating to retirement; public employees retirement association; excluding volunteer firefighters from membership; amending Minnesota Statutes 1988, section 353.01, subdivision 2b.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Simoneau, Reding, Knickerbocker, O'Connor and Johnson, R., introduced:

H. F. No. 801, A bill for an act relating to retirement; amending provisions relating to certain purchases of prior service credit; amending Laws 1988, chapter 709, article 3, section 1, subdivision 4.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Johnson, R.; Simoneau; Knickerbocker; O'Connor and Conway introduced:

H. F. No. 802, A bill for an act relating to retirement; Minnesota state retirement system correctional employees retirement plan; expanding the coverage of the plan; authorizing an election to obtain prior state service coverage; clarifying the provision specifying covered correctional service; amending Minnesota Statutes 1988, sections 352.91, subdivisions 1, 2, 3, 4, and by adding a subdivision;

and 352.92, subdivision 2; repealing Minnesota Statutes 1988, section 352.91, subdivisions 3a and 3b.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Simoneau; Johnson, R.; O'Connor; Reding and Knickerbocker introduced:

H. F. No. 803, A bill for an act relating to retirement; providing that membership in a public pension plan is an enforceable contractual right; proposing coding for new law in Minnesota Statutes, chapter 356.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Lasley introduced:

H. F. No. 804, A bill for an act relating to Chisago county; permitting the cancellation of certain ditch assessments and providing for the allocation of others.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Segal, Greenfield, Wynia, Pugh and Sviggum introduced:

H. F. No. 805, A bill for an act relating to human services; amending the comprehensive mental health act; establishing a mental health system for adults and for children; requiring case management; establishing mental health interagency coordinating councils; establishing task forces; allowing fees for mental health services; requiring family community support services and home-based family treatment; amending Minnesota Statutes 1988, sections 245.461; 245.462; 245.463, subdivision 2; 245.464; 245.465; 245.466, subdivisions 1, 2, 5, and 6; 245.467, subdivisions 3, 4, and 5; 245.468; 245.469; 245.470, subdivision 1; 245.472, subdivision 1, and by adding a subdivision; 245.473, subdivision 1; 245.474; 245.476, subdivisions 1 and 3, and by adding a subdivision; 245.477; 245.478, subdivisions 2 and 3; 245.479; 245.48; 245.482; 245.483; 245.484; 245.485; 245.486; 245.62, subdivisions 2, 3, and 4; 245.696, subdivision 2; 245.697, subdivision 2a; 245.713, subdivision 2; and 245.73, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 245; repealing Minnesota Statutes 1988, sections 245.462, subdivision 25; 245.471; 245.475; 245.61; 245.64; and 245.698.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Kelso, Rodosovich, Ogren, Gruenes and Jefferson introduced:

H. F. No. 806, A bill for an act relating to human services; requiring county community social service plans to address the development of supported employment services; amending Minnesota Statutes 1988, section 256E.09, subdivision 3.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Kelso, Ogren, Gruenes, Rodosovich and Jefferson introduced:

H. F. No. 807, A bill for an act relating to jobs and training; creating a community conversion incentive grant program to fund projects to secure employment for persons with severe disabilities; appropriating money.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Olson, E.; Bertram; Girard; Dempsey and Bauerly introduced:

H. F. No. 808, A bill for an act relating to agricultural property; eliminating further adjustments to the value index for certain property exemptions; amending Minnesota Statutes 1988, section 550.37, subdivisions 4a and 5.

The bill was read for the first time and referred to the Committee on Agriculture.

Cooper, Dauner, Dorn, Greenfield and Tompkins introduced:

H. F. No. 809, A bill for an act relating to human services; establishing new dates for payment rates for vendors of day training and habilitation services; imposing a requirement for variances from payment rates; allowing the commissioner to establish cost thresholds for community-based services for persons with mental retardation; amending Minnesota Statutes 1988, sections 252.46, subdivisions 1, 2, 3, 4, 6, and 12; 252.47; 256B.501, subdivisions 3 and 3g.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Winter and Steensma introduced:

H. F. No. 810, A bill for an act relating to natural resources; increasing the amount of levy for the Kanaranzi-Little Rock watershed district administrative fund.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Pugh, Waltman, Ozment, Price and McGuire introduced:

H. F. No. 811, A bill for an act relating to natural resources; changing certain provisions relating to the taking of turtles; amending Minnesota Statutes 1988, sections 97C.605, subdivision 3; and 97C.611; repealing Minnesota Statutes 1988, section 97C.615.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Kelly and Pappas introduced:

H. F. No. 812, A bill for an act relating to insurance; life; allowing insurance policies to contain a rider providing for early payment of benefits to recipients of long-term care; amending Minnesota Statutes 1988, sections 60A.06, subdivisions 1 and 3; and 62A.46, subdivision 2.

The bill was read for the first time and referred to the Committee on Insurance.

Price, Cooper and Olson, K., introduced:

H. F. No. 813, A bill for an act relating to education; providing staffing provisions for school district reorganization; appropriating money; amending Minnesota Statutes 1988, sections 122.22, by adding a subdivision; 122.23, by adding a subdivision; 122.532, subdivision 4; 122.535, subdivision 1; 122.541, by adding a subdivision; 122.91, by adding a subdivision; 122.93, subdivision 3; and 124.494, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 122.

The bill was read for the first time and referred to the Committee on Education.

McPherson, Weaver, Limmer, Quinn and McGuire introduced:

H. F. No. 814, A bill for an act relating to environment; eliminat-

ing the inventory of mixed municipal solid waste disposal sites; requiring the pollution control agency to develop a plan to provide incentives to volunteer sites; amending Minnesota Statutes 1988, sections 473.811, subdivision 1a; 473.823, subdivision 6; 473.831, subdivision 2; and 473.840, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 1988, sections 473.149, subdivision 2b; 473.803, subdivision 1a; and 473.806.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Carruthers, Vellenga, Kelly and Swenson introduced:

H. F. No. 815, A bill for an act relating to criminal procedure; authorizing the attorney general, county attorneys, the bureau of criminal apprehension, and law enforcement agencies to issue administrative subpoenas to require production of records; creating crimes that prohibit warning subjects of investigations, electronic surveillance, or search warrants; repealing the sunset provision of the wiretap law; imposing penalties; amending Laws 1988, chapter 577, section 63; proposing coding for new law in Minnesota Statutes, chapters 8; 299C; 388; 609; and 626A; repealing Laws 1988, chapter 577, section 62.

The bill was read for the first time and referred to the Committee on Judiciary.

Blatz; Kalis; Lieder; Johnson, A., and Henry introduced:

H. F. No. 816, A bill for an act relating to motor vehicles; requiring a notice of motor vehicle title transfer procedures to be included with annual motor vehicle registrations; amending Minnesota Statutes 1988, section 168.017, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

Peterson, Lasley, Bauerly, Jennings and Omann introduced:

H. F. No. 817, A bill for an act relating to education; approving a capital loan to the Ogilvie school district.

The bill was read for the first time and referred to the Committee on Education.

Olson, E.; Redalen; Sparby; Cooper and Nelson, C., introduced:

H. F. No. 818, A bill for an act relating to taxation; authorizing a special levy for soil and water conservation district expenses; amending Minnesota Statutes 1988, section 275.50, subdivision 5.

The bill was read for the first time and referred to the Committee on Taxes.

Jefferson; Otis; Olsen, S.; McLaughlin and Scheid introduced:

H. F. No. 819, A bill for an act relating to Hennepin county; providing for the number of commissioners of the county housing and redevelopment authority; amending Minnesota Statutes 1988, section 383B.77, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Conway, Price, Weaver, Brown and Simoneau introduced:

H. F. No. 820, A bill for an act relating to state government; regulating state employment practices; amending Minnesota Statutes 1988, sections 43A.02, subdivision 33; 43A.04, subdivision 3, and by adding a subdivision; 43A.10, subdivisions 7 and 8; 43A.12, subdivision 5; 43A.13, subdivisions 4, 5, 6, and 7; 43A.15, subdivision 10; 43A.18, subdivision 4; 43A.191, subdivisions 2 and 3; 43A.316, subdivision 5; 43A.37, subdivision 1; and 299D.03, subdivision 7; repealing Minnesota Statutes 1988, section 43A.081, subdivisions 1, 2, and 5.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Munger, Frederick, Bauerly, Dille and Anderson, G., introduced:

H. F. No. 821, A bill for an act relating to groundwater; establishing best management practices and water resources protection requirements; regulating pollution limits; changing various requirements and procedures concerning fertilizer, soil amendments, and plant amendments; requiring a study of sustainable agriculture; changing certain pesticide laws; requiring a pesticide management plan; providing for responses to pesticide and fertilizer incidents; establishing a safe drinking water account; imposing an annual fee; reorganizing and revising laws on water wells, exploratory boring, and elevator shafts; establishing a water information committee; providing for local water resources protection and management; establishing water appropriation priorities; establishing a legisla-

tive commission on water; appropriating money; amending Minnesota Statutes 1988, sections 17.713; 17.714, subdivision 1, and by adding a subdivision; 17.715, subdivisions 1, 4, and by adding subdivisions; 17.7155; 17.716, subdivisions 1 and 2; 17.717; 17.718; 17.719, subdivisions 1, 2, 3, 4, and by adding subdivisions; 17.721, by adding a subdivision; 17.725, subdivision 2, and by adding subdivisions; 17.728, by adding subdivisions; 17.7285; 17.73, subdivision 3; 18B.01, subdivisions 12, 21, 23, 26, 31, and by adding subdivisions; 18B.04; 18B.07, subdivisions 4, 5, 6, and 7; 18B.08, subdivisions 1 and 4; 18B.15; 18B.17, subdivision 2; 18B.18; 18B.21; 18B.25, by adding a subdivision; 18B.26, subdivisions 1, 3, and by adding a subdivision; 18B.31, subdivisions 3 and 5; 18B.32, subdivision 2; 18B.33, subdivisions 3 and 7; 18B.34, subdivisions 2 and 5; 18B.36; 18B.37, subdivisions 1, 2, and 3; 105.41, subdivision 1a; 105.418; 116C.41, subdivision 1; 116E.03, subdivision 9; 156A.01; 156A.02; 156A.03; 156A.05; 156A.06; 156A.071; 156A.075; and 156A.08; proposing coding for new law as Minnesota Statutes, chapters 110C and 115D; proposing coding for new law in Minnesota Statutes, chapters 3; 17; 18B; 115; 116C; 116E; 144; and 156A; repealing Minnesota Statutes 1988, sections 17.714, subdivisions 4, 4a, and 4b; 17.721; 17.726; 17.727; 17.728, subdivisions 4 and 5; 17.729; 18B.16; 18B.19; 156A.02, subdivision 3; 156A.03, subdivision 1; 156A.04; 156A.07; 156A.10; and 156A.11.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Osthoff; Stanius; Anderson, G.; Scheid and Poppenhagen introduced:

H. F. No. 822, A bill for an act relating to financial institutions; permitting banks to perform clerical services at off-premises data processing and storage centers; proposing coding for new law in Minnesota Statutes, chapter 48.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Stanius, Munger, Kahn, Abrams and Battaglia introduced:

H. F. No. 823, A bill for an act relating to exotic species of plants and animals; establishing an interagency task force.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Stanius, Munger, Abrams, Kahn and Battaglia introduced:

H. F. No. 824, A bill for an act relating to waters; directing an inventory of, education on, and assistance in control of certain aquatic weeds; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 84.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Girard and Hugoson introduced:

H. F. No. 825, A bill for an act relating to libraries; providing copies of statutes, laws, and rules to Southwest State University; amending Minnesota Statutes 1988, sections 3C.12, subdivision 2; and 14.47, subdivision 8.

The bill was read for the first time and referred to the Committee on Education.

Weaver, Pugh, Carruthers, Kelly and Henry introduced:

H. F. No. 826, A bill for an act relating to the collection and dissemination of data; providing access to private and confidential data related to delinquent acts for law enforcement purposes; amending Minnesota Statutes 1988, sections 13.84, subdivision 5a; and 260.161, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

Stanius, Carlson, D.; Battaglia; Munger and Runbeck introduced:

H. F. No. 827, A bill for an act relating to animals; authorizing the taking of certain muskrats that are causing damage; amending Minnesota Statutes 1988, section 97B.655, subdivision 1.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Quinn, Lasley, Begich, Kalis and Seaberg introduced:

H. F. No. 828, A bill for an act relating to highways; directing commissioner of transportation to approve construction of exit ramp off highway 65 under certain conditions.

The bill was read for the first time and referred to the Committee on Transportation.

McLaughlin, Ogren, Pappas, Trimble and Pauly introduced:

H. F. No. 829, A bill for an act relating to sales taxation; exempting motor vehicle towing and nonprescription drugs from taxation; amending Minnesota Statutes 1988, sections 297A.01, subdivision 3; and 297A.25, subdivision 3.

The bill was read for the first time and referred to the Committee on Taxes.

Stanius, Greenfield, Vellenga, Girard and Kelly introduced:

H. F. No. 830, A bill for an act relating to the child abuse reporting act; allowing recovery of attorney fees by good faith reporters; amending Minnesota Statutes 1988, section 626.556, subdivision 4.

The bill was read for the first time and referred to the Committee on Judiciary.

Kinkel; Stanius; Johnson, R.; Nelson, C., and Sarna introduced:

H. F. No. 831, A bill for an act relating to game and fish; season opening date for certain game fish; amending Minnesota Statutes 1988, section 97C.395, subdivision 1.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Kostohryz, Price, Valento, Vellenga and Munger introduced:

H. F. No. 832, A bill for an act relating to Ramsey county; authorizing the use of certain property for public purposes.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Williams, Milbert, Lieder, Blatz and Seaberg introduced:

H. F. No. 833, A bill for an act relating to public safety; increasing membership on advisory council for the children's trust fund; amending Minnesota Statutes 1988, section 299A.23, subdivision 2.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Lasley; Kelso; Johnson, A.; Welle and Seaberg introduced:

H. F. No. 834, A bill for an act relating to transportation; authorizing transportation regulation board, on petition by a city, to determine at which railroad crossings a train is not allowed to stop; amending Minnesota Statutes 1988, section 219.383, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

Stanisus introduced:

H. F. No. 835, A bill for an act relating to retirement; teachers retirement association; permitting purchases of prior services by certain employees for periods of leave.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Waltman, by request, introduced:

H. F. No. 836, A bill for an act relating to game and fish; authorizing nighttime hunting of coyote and fox; amending Minnesota Statutes 1988, section 97B.081, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Carruthers, Orenstein, Hasskamp, Kelly and Blatz introduced:

H. F. No. 837, A bill for an act relating to crimes; prohibiting the concealing of criminal proceeds; prohibiting racketeering; providing civil and criminal penalties for engaging in narcotics and violent offenses as part of an enterprise; authorizing the dissolution of a corporate charter, revocation of a license, and injunctive relief to prevent criminal activity by an enterprise; authorizing fines of three times the profit gained through racketeering; authorizing criminal forfeiture; amending Minnesota Statutes 1988, section 541.07; proposing coding for new law in Minnesota Statutes, chapters 541 and 609.

The bill was read for the first time and referred to the Committee on Judiciary.

Cooper; Greenfield; Ogren; Johnson, R., and Welle introduced:

H. F. No. 838, A bill for an act relating to occupations and professions; establishing the board of professional counseling; requiring professional counselors to be licensed; appropriating money; amending Minnesota Statutes 1988, sections 148A.01, subdivision 5; 148B.01, subdivision 6, and by adding a subdivision; 148B.02, subdivision 1; 148B.40, subdivision 3; 214.01, subdivision 2; 214.04, subdivision 3; and 609.341, subdivision 17; proposing coding for new law in Minnesota Statutes, chapter 148B.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Simoneau introduced:

H. F. No. 839, A bill for an act relating to retirement; excluding members of the Columbia Heights fire department from membership in the public employees retirement association; providing for refunds.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Greenfield; Williams; Anderson, R.; Rodosovich and Ogren introduced:

H. F. No. 840, A bill for an act relating to human services; authorizing creation of the Minnesota family investment plan; establishing grant projects for refugees; fraud prevention; appropriating money; amending Minnesota Statutes 1988, sections 256.045, subdivision 3; 256.12, subdivision 14; 256.736, subdivision 10, 16, and by adding subdivisions; 256.74, subdivisions 1 and 1a; and 256D.051, subdivision 6, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 256; repealing Minnesota Statutes 1988, section 256D.051, subdivision 6a.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Greenfield; Anderson, R.; Rodosovich; Jefferson and Ogren introduced:

H. F. No. 841, A bill for an act relating to human services; allowing

rate review for nursing homes in involuntary receivership; eliminating the exemption of certain allowable employee pension contributions from care-related cost limits and other operating cost limits; clarifying historical cost of capital assets and issuance costs; providing payment rate adjustments for nursing homes; allowing a one-time adjustment to comply with OBRA; amending Minnesota Statutes 1988, sections 144.50, by adding a subdivision; 144.562, subdivisions 2 and 3; 144.651, subdivision 27; 144A.01, by adding a subdivision; 144A.04, subdivision 7, and by adding a subdivision; 144A.073, subdivision 1; 144A.10, subdivision 4a, and by adding subdivisions; 144A.12, subdivision 1; 144A.15, subdivision 1, and by adding subdivisions; 144A.611; 256B.091, subdivision 3; 256B.431, subdivisions 2e, 2i, 3a, 3f, 3g, 4, and by adding subdivisions; 256B.47, subdivision 3; and 256B.48, subdivision 6; Laws 1988, chapter 689, article 2, section 269, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 144; 144A; and 256B.

The bill was read for the first time and referred to the Committee on Health and Human Services.

McLaughlin introduced:

H. F. No. 842, A bill for an act relating to metropolitan government; setting conditions for light rail transit contracts; proposing coding for new law in Minnesota Statutes, chapter 473.

The bill was read for the first time and referred to the Committee on Transportation.

Carlson, D., introduced:

H. F. No. 843, A bill for an act relating to state lands; authorizing sale of certain tax-forfeited land that borders public water in Aitkin county.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Redalen, McEachern, Vellenga, Bauerly and Schafer introduced:

H. F. No. 844, A bill for an act relating to education; reauthorizing program improvement grants; providing an exception to consolidation timelines; appropriating money; amending Minnesota Statutes 1988, sections 122.23, by adding a subdivision; and 129B.11, subdivisions 1 and 2.

The bill was read for the first time and referred to the Committee on Education.

Quinn, Price, Redalen, Ogren and Reding introduced:

H. F. No. 845, A bill for an act relating to horse racing; providing for licensing of televised horse racing facilities; allowing for pari-mutuel wagering at licensed horse racing facilities; permitting inter-track and out-of-state simulcasts of horse races; amending Minnesota Statutes 1988, sections 240.01, subdivision 1, and by adding subdivisions; 240.03; 240.05, subdivision 1; 240.10; 240.11; 240.13, subdivisions 1, 2, 3, and by adding subdivisions; 240.17; 240.19; 240.23; 240.25, subdivision 2; 240.27; and 240.28, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 240.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

### MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 204 and 215.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 204, A bill for an act relating to elections; providing for the removal of certain voter registration cards; amending Minnesota Statutes 1988, section 201.13.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

S. F. No. 215, A bill for an act relating to notaries public; increasing the period of time during which reappointments may be made; amending Minnesota Statutes 1988, section 359.02.

The bill was read for the first time.

Olsen, S., moved that S. F. No. 215 and H. F. No. 264. now on the

Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

### CALENDAR

H. F. No. 268, A bill for an act relating to commerce; regulating burglar alarm franchises; amending Minnesota Statutes 1988, section 80C.30.

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 121 yeas and 4 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Lasley	Orenstein	Scheid
Anderson, G.	Girard	Lieder	Osthoff	Schreiber
Anderson, R.	Greenfield	Limmer	Ostrom	Seaberg
Battaglia	Gruenes	Long	Otis	Segal
Bauerly	Hartle	Lynch	Ozment	Simoneau
Beard	Hasskamp	Macklin	Pappas	Skoglund
Begich	Haukoos	Marsh	Pauly	Sparby
Bennett	Heap	McEachern	Pellow	Stanius
Bertram	Henry	McGuire	Pelowski	Steenasma
Bishop	Himle	McLaughlin	Peterson	Swenson
Blatz	Hugoson	McPherson	Poppenhagen	Tjornhom
Boo	Jacobs	Milbert	Price	Tompkins
Brown	Janezich	Morrison	Pugh	Trimble
Burger	Jaros	Munger	Quinn	Tunheim
Carlson, D.	Jennings	Murphy	Redalen	Uphus
Carlson, L.	Johnson, A.	Nelson, C.	Reding	Valento
Conway	Johnson, R.	Nelson, K.	Rest	Vellenga
Cooper	Johnson, V.	Neuenschwander	Rice	Wagenius
Dauner	Kalis	Ogren	Richter	Waltman
Dawkins	Kelso	Olsen, S.	Rodosovich	Weaver
Dille	Kinkel	Olsen, E.	Rukavina	Welle
Dorn	Knickerbocker	Olson, K.	Runbeck	Wenzel
Forsythe	Kostohryz	Omann	Sarna	Winter
Frederick	Krueger	Onnen	Schafer	Wynia
				Spk. Vanasek

Those who voted in the negative were:

Gutknecht	McDonald	Miller	Svigum
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The bill was passed and its title agreed to.

H. F. No. 175, A bill for an act relating to animals; requiring notice to possess dangerous nondomesticated animals; proposing coding for new law in Minnesota Statutes, chapter 97A.

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 89 yeas and 39 nays as follows:

Those who voted in the affirmative were:

Abrams	Dille	Kostohryz	Olson, K.	Segal
Anderson, R.	Dorn	Lasley	Orenstein	Simoneau
Battaglia	Forsythe	Lieder	Ostrom	Skoglund
Bauerly	Greenfield	Limmer	Otis	Sparby
Beard	Gruenes	Lynch	Ozment	Stanius
Begich	Gutknecht	Marsh	Pappas	Steenasma
Bennett	Hartle	McGuire	Pelowski	Swenson
Bertram	Heap	McLaughlin	Peterson	Tjornhom
Bishop	Hugoson	McPherson	Price	Trimble
Blatz	Jacobs	Morrison	Pugh	Uphus
Boo	Janezich	Munger	Quinn	Vellenga
Brown	Jaros	Murphy	Reding	Wagenius
Burger	Jennings	Nelson, C.	Rest	Waltman
Carlson, L.	Johnson, A.	Nelson, K.	Rice	Weaver
Clark	Johnson, R.	Neuenschwander	Rukavina	Williams
Conway	Kelly	Ogren	Runbeck	Winter
Cooper	Kinkel	Olsen, S.	Sarna	Wynia
Dawkins	Knickerbocker	Olson, E.	Seaberg	

Those who voted in the negative were:

Carlson, D.	Henry	McDonald	Pellow	Sviggum
Carruthers	Himle	McEachern	Poppenhagen	Tompkins
Dauner	Jefferson	Milbert	Redalen	Tunheim
Dempsey	Johnson, V.	Miller	Richter	Valento
Frederick	Kalis	Omamm	Rodosovich	Welle
Girard	Kelso	Onnen	Schafer	Wenzel
Hasskamp	Krueger	Osthoff	Scheid	Spk. Vanasek
Haukoos	Macklin	Pauly	Schreiber	

The bill was passed and its title agreed to.

H. F. No. 210, A bill for an act relating to counties; permitting counties to rent county-owned residences by less formal procedure; amending Minnesota Statutes 1988, section 373.01, 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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Begich	Brown	Conway	Dorn
Anderson, G.	Bennett	Burger	Cooper	Forsythe
Anderson, R.	Bertram	Carlson, D.	Dauner	Frederick
Battaglia	Bishop	Carlson, L.	Dawkins	Girard
Bauerly	Blatz	Carruthers	Dempsey	Greenfield
Beard	Boo	Clark	Dille	Gruenes

Gutknecht	Knickerbocker	Nelson, C.	Pugh	Sviggun
Hartle	Kostohryz	Nelson, K.	Quinn	Swenson
Hasskamp	Krueger	Neuenschwander	Redalen	Tjornhom
Haukoos	Lasley	Olson, S.	Reding	Tompkins
Heap	Lieder	Olson, E.	Rest	Trimble
Henry	Limmer	Olson, K.	Rice	Tunheim
Himle	Long	Omman	Richter	Uphus
Hugoson	Lynch	Onnen	Rodosovich	Valento
Jacobs	Macklin	Orenstein	Rukavina	Vellenga
Janezich	Marsh	Osthoff	Runbeck	Wagenius
Jaros	McDonald	Ostrom	Sarna	Waltman
Jefferson	McEachern	Otis	Schafer	Weaver
Jennings	McGuire	Ozment	Scheid	Welle
Johnson, A.	McLaughlin	Pappas	Schreiber	Wenzel
Johnson, R.	McPherson	Pauly	Seaberg	Williams
Johnson, V.	Milbert	Pellow	Segal	Winter
Kalis	Miller	Pelowski	Simoneau	Wynia
Kelly	Morrison	Peterson	Skoglund	Spk. Vanasek
Kelso	Munger	Poppenhagen	Sparby	
Kinkel	Murphy	Price	Stanius	

The bill was passed and its title agreed to.

H. F. No. 279, A bill for an act relating to local government; permitting bank letters of credit in lieu of certain bonds; proposing coding for new law in Minnesota Statutes, chapter 574.

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	Frederick	Knickerbocker	Olson, K.	Scheid
Anderson, G.	Frerichs	Kostohryz	Omman	Schreiber
Anderson, R.	Girard	Krueger	Onnen	Seaberg
Battaglia	Greenfield	Lasley	Orenstein	Segal
Bauerly	Gruenes	Lieder	Osthoff	Simoneau
Beard	Gutknecht	Limmer	Ostrom	Skoglund
Begich	Hartle	Long	Otis	Sparby
Bennett	Hasskamp	Lynch	Ozment	Stanius
Bertram	Haukoos	Macklin	Pappas	Steenasma
Bishop	Heap	Marsh	Pauly	Sviggun
Blatz	Henry	McDonald	Pelowski	Swenson
Boo	Himle	McEachern	Peterson	Tjornhom
Brown	Hugoson	McGuire	Poppenhagen	Tompkins
Burger	Jacobs	McLaughlin	Price	Trimble
Carlson, D.	Janezich	McPherson	Pugh	Tunheim
Carlson, L.	Jaros	Milbert	Quinn	Uphus
Carruthers	Jefferson	Miller	Redalen	Valento
Clark	Jennings	Morrison	Reding	Vellenga
Conway	Johnson, A.	Munger	Rest	Wagenius
Cooper	Johnson, R.	Murphy	Rice	Waltman
Dauner	Johnson, V.	Nelson, C.	Richter	Weaver
Dawkins	Kahn	Nelson, K.	Rodosovich	Welle
Dempsey	Kalis	Neuenschwander	Rukavina	Wenzel
Dille	Kelly	Ogren	Runbeck	Williams
Dorn	Kelso	Olson, S.	Sarna	Winter
Forsythe	Kinkel	Olson, E.	Schafer	Wynia
				Spk. Vanasek

The bill was passed and its title agreed to.

### GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Vanasek in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 214 and 371 were recommended to pass.

H. F. Nos. 154 and 148 were recommended for progress.

On the motion of Wynia the report of the Committee of the Whole was adopted.

### MOTIONS AND RESOLUTIONS

Forsythe moved that the name of Olsen, S., be added as an author on H. F. No. 58. The motion prevailed.

Price moved that the name of Johnson, A., be added as an author on H. F. No. 148. The motion prevailed.

Olsen, S., moved that the name of Macklin be added as an author on H. F. No. 264. The motion prevailed.

Dawkins moved that the name of O'Connor be added as an author on H. F. No. 394. The motion prevailed.

Reding moved that the name of Frederick be added as an author on H. F. No. 558. The motion prevailed.

Bertram moved that the name of Henry be added as an author on H. F. No. 563. The motion prevailed.

Kalis moved that the names of Nelson, K.; Hugoson and Tunheim be added as authors on H. F. No. 575. The motion prevailed.

Milbert moved that the name of Scheid be added as an author on H. F. No. 640. The motion prevailed.

Omann moved that the name of Frederick be added as an author on H. F. No. 686. The motion prevailed.

Nelson, C., moved that the name of Wenzel be added as an author on H. F. No. 718. The motion prevailed.

Pappas moved that the name of Macklin be added as an author on H. F. No. 729. The motion prevailed.

Reding moved that the name of Sparby be added as an author on H. F. No. 738. The motion prevailed.

Pappas moved that the name of Trimble be added as an author on H. F. No. 741. The motion prevailed.

Beard moved that the name of Sparby be added as an author on H. F. No. 747. The motion prevailed.

Frerichs moved that the name of Otis be added as an author on H. F. No. 748. The motion prevailed.

Reding moved that H. F. No. 181 be recalled from the Committee on Economic Development and be re-referred to the Committee on Local Government and Metropolitan Affairs. The motion prevailed.

Bertram moved that H. F. No. 391 be recalled from the Committee on Appropriations and be re-referred to the Committee on Governmental Operations. The motion prevailed.

Kelly moved that H. F. No. 201, now on Technical General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

Kostohryz introduced:

House Resolution No. 4, A house resolution proclaiming September 14-16, 1989, as Korea: An American Remembrance in the State of Minnesota.

The resolution was referred to the Committee on Rules and Legislative Administration.

## ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 2:30 p.m., Monday, February 27, 1989. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Monday, February 27, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION—1989

## SIXTEENTH DAY

SAINT PAUL, MINNESOTA, MONDAY, FEBRUARY 27, 1989

The House of Representatives convened at 2:30 p.m. and was called to order by Robert E. Vanasek, Speaker of the House.

Prayer was offered by Monsignor James D. Habiger, House Chaplain, St. Paul, Minnesota.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Abrams	Frerichs	Lasley	Orenstein	Segal
Anderson, G.	Girard	Lieder	Osthoff	Simoneau
Anderson, R.	Greenfield	Limmer	Ostrom	Skoglund
Battaglia	Gruenes	Long	Otis	Solberg
Bauerly	Gutknecht	Lynch	Ozment	Sparby
Beard	Hartle	Macklin	Pappas	Stanis
Begich	Hasskamp	Marsh	Pauly	Steensma
Bennett	Haukoos	McDonald	Pellow	Svigum
Bertram	Heap	McEachern	Pelowski	Swenson
Bishop	Henry	McGuire	Peterson	Tjornhom
Blatz	Hugoson	McLaughlin	Poppenhagen	Tompkins
Boo	Jacobs	McPherson	Price	Trimble
Brown	Janezich	Milbert	Pugh	Tunheim
Burger	Jaros	Miller	Quinn	Uphus
Carlson, D.	Jefferson	Morrison	Redalen	Valento
Carlson, L.	Jennings	Munger	Reding	Vellenga
Carruthers	Johnson, A.	Murphy	Rest	Wagenius
Clark	Johnson, R.	Nelson, C.	Rice	Waltman
Conway	Johnson, V.	Nelson, K.	Richter	Weaver
Cooper	Kahn	Neuenschwander	Rodosovich	Welle
Dauner	Kalis	O'Connor	Rukavina	Wenzel
Dawkins	Kelly	Ogren	Runbeck	Williams
Dempsey	Kelso	Olsen, S.	Sarna	Winter
Dille	Kinkel	Olson, E.	Schafer	Wynia
Dorn	Knickerbocker	Olson, K.	Scheid	Spk. Vanasek
Forsythe	Kostohryz	Omann	Schreiber	
Frederick	Krueger	Onnen	Seaberg	

A quorum was present.

Himle was excused.

The Chief Clerk proceeded to read the Journal of the preceding

day. Kelly 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

Pursuant to Rules of the House, printed copies of H. F. Nos. 267, 410, 426, 502, 15, 43, 72, 79, 85, 106, 321, 322, 323, 531 and 527 and S. F. Nos. 204 and 215 have been placed in the members' files.

S. F. No. 215 and H. F. No. 264, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Olsen, S., moved that S. F. No. 215 be substituted for H. F. No. 264 and that the House File be indefinitely postponed. The motion prevailed.

#### REPORTS OF STANDING COMMITTEES

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 65, A bill for an act relating to economic development; authorizing local jurisdictions involved in economic development to participate in secondary markets; proposing coding for new law in Minnesota Statutes, chapter 465.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 114, A bill for an act relating to state government; providing for the establishment of an audit guide task force by the state auditor; amending Minnesota Statutes 1988, section 6.65.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 223, A bill for an act relating to consumer protection; prohibiting the sale of tobacco from multiproduct vending machines; prescribing a penalty; proposing coding for new law in Minnesota Statutes, chapter 325E.

Reported the same back with the following amendments:

Page 1, delete line 12

Page 1, line 13, delete "used for vending purposes"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 242, A bill for an act relating to transportation; providing for strength, width, clearance, and safety standards for bridges; amending Minnesota Statutes 1988, section 165.03, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 165.03, subdivision 1, is amended to read:

Subdivision 1. All bridges hereafter Each bridge, including a privately owned bridge, must conform to the strength, width, clearance, and safety standards imposed by the commissioner for the connecting highway or street. This subdivision applies to a bridge that is constructed or reconstructed after August 1, 1989, on any public highway or street, including streets within cities, shall be at least of sufficient strength to support with safety any vehicle with a weight of 20 tons on two axles with ten foot centers, with not to exceed three-fourths of the weight concentrated on one axle, when driven at a speed of not to exceed three miles an hour. The bridge must have sufficient strength to support with safety the maximum vehicle weights allowed under section 169.825, and must have the minimum width specified in section 165.04, subdivision 3."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 387, A bill for an act relating to traffic regulations; exempting state patrol troopers from requirement of security barrier in marked state patrol vehicles; amending Minnesota Statutes 1988, section 169.98, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 12, delete "may" and insert "shall"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 450, A bill for an act relating to natural resources; authorizing additions to and deletions from certain state parks and waysides; abolishing Little Elbow Lake State Park; repealing Minnesota Statutes 1988, section 85.012, subdivision 39.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [ADDITIONS TO AND DELETIONS FROM CERTAIN STATE PARKS.]

Subdivision 1. [85.012] [Subd. 9.] [BUFFALO RIVER STATE PARK, CLAY COUNTY.] The following area is added to Buffalo River State Park: The South Half of the Northeast Quarter of Section 14, Township 139 North, Range 46 West.

Subd. 2. [85.012] [Subd. 10.] [CAMDEN STATE PARK, LYON COUNTY.] The following area is added to Camden State Park: That part of the Northeast Quarter and the North Half of the Southeast Quarter lying easterly of Burlington Northern Railroad right-of-way in Section 17, Township 110 North, Range 42 West.

Subd. 3. [85.012] [Subd. 15.] [FATHER HENNEPIN STATE PARK, MILLE LACS COUNTY.] The following area is added to Father Hennepin State Park: Lots 10, 11, and 12, Block 1, Christiansen's Addition to the Village of Isle.

Subd. 4. [85.012] [Subd. 23.] [GLACIAL LAKES STATE PARK, POPE COUNTY.] The following area is added to Glacial Lakes State Park: The Northwest Quarter of the Southwest Quarter of Section 19, Township 124 North, Range 38 West.

Subd. 5. [85.012] [Subd. 35.] [LAKE CARLOS STATE PARK, DOUGLAS COUNTY.] The following area is added to Lake Carlos State Park: All that part of the Northwest Quarter of the Southwest Quarter and the Southwest Quarter of the Southwest Quarter of Section 15 and all that part of Government Lots 3 and 4 of Section 16, Township 129 North, Range 37 West of the 5th P.M. bounded by the west quarter line and the west 1/16 line of said Section 15 and the following described lines: Beginning at a point on the west quarter line of said Section 15, 248.25 feet east from the west quarter corner thereof; and from which the west quarter corner of said Section 15 bears North 89 degrees, 49 minutes West from the point of beginning; thence South 00 degrees, 11 minutes West, 66.0 feet, thence North 89 degrees, 49 minutes West, 66.0 feet, thence South 00 degrees, 11 minutes West, 202.0 feet, thence deflecting right around a 53 degrees, 50 minutes curve for a distance of 76.7 feet, thence South 40 degrees, 00 minutes West, 22.5 feet, thence deflecting left around a 20 degrees, 40 minutes curve for a distance of 79.5 feet, thence South 23 degrees, 39 minutes West, 722.3 feet, thence deflecting to the right around a 8 degrees, 27 minutes curve for a distance of 244.06 feet, thence South 44 degrees, 16 minutes West, 239.0 feet, thence South 45 degrees, 44 minutes East, 316.7 feet, thence deflecting left around a 32 degrees, 20 minutes curve a distance of 139.0 feet, thence North 90 degrees, 00 minutes East, 1407.7 feet more or less to the west 1/16 line of said Section 15 and there terminating.

Subd. 6. [85.012] [Subd. 38.] [LAKE SHETEK STATE PARK, MURRAY COUNTY.] The following area is deleted from Lake Shetek State Park: Government Lots 5 and 6 of Section 7, Township 107 North, Range 40 West.

Subd. 7. [85.012] [Subd. 40.] [MCCARTHY BEACH STATE PARK, ST. LOUIS COUNTY.] The following area is deleted from McCarthy Beach State Park: The East Half of the Northeast Quarter, Government Lot 4, Government Lot 5, the Southwest Quarter of the Southeast Quarter, and the East Half of the Southeast Quarter, all in Section 35, Township 60 North, Range 21 West.

Sec. 2. [NONPARK USE OF LAND IN BUFFALO RIVER STATE PARK, CLAY COUNTY.]

(a) Notwithstanding Minnesota Statutes, sections 85.011, 85.012, and 85.053, the commissioner of natural resources, in the name of the state, may quitclaim and convey without compensation up to ten acres of land included within Buffalo River State Park to Moorhead state university which will not be subject to the conditions of the state park on the conditions that: (1) Moorhead state university will operate and maintain a science center on the land; (2) the science center is to be known as the Barlage science center; (3) the science center will be under the control and supervision of Moorhead state university; and (4) the land reverts to the state if Moorhead state university fails to maintain and operate the land and facilities for the purposes of the science center. The conveyance must be in a form approved by the attorney general.

Sec. 3. [ACQUISITION OF ROAD FOR CARLEY STATE PARK, WABASHA COUNTY.]

The commissioner may acquire up to three acres in fee ownership or easement in the Southeast Quarter of the Southwest Quarter of Section 32, Township 108 North, Range 11 West for road purposes for Carley State Park, Wabasha county.

Sec. 4. [NONPARK USE OF LAND IN INTERSTATE PARK, CHISAGO COUNTY.]

Notwithstanding Minnesota Statutes, sections 85.011, 85.012, and 85.053, the commissioner may sell up to two acres of state land in Interstate Park, Chisago county, within the Southwest Quarter of the Southwest Quarter of Section 25, Township 34 North, Range 19 West, which contains the state-owned house and attached garage and will not be subject to the conditions of the state park.

Sec. 5. [LITTLE ELBOW LAKE STATE PARK ABOLISHED.]

Little Elbow Lake State Park is abolished and the commissioner of natural resources shall transfer land in the park according to Public Law Number 99-264. The commissioner of natural resources shall close the park and remove and dispose of state property as the commissioner determines necessary.

Sec. 6. [REPEALER.]

Minnesota Statutes 1988, section 85.012, subdivision 39, is repealed.

Sec. 7. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Delete the title and insert:

“A bill for an act relating to state lands; authorizing additions and deletions from certain state parks; authorizing nonpark use of certain state parks; authorizing sale and conveyance of certain state park lands; authorizing acquisition of certain land for road purposes; repealing Minnesota Statutes 1988, section 85.012, subdivision 39.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 499, A bill for an act relating to local government; granting certain water and sewer powers to towns; amending Minnesota Statutes 1988, sections 444.075, subdivision 1; 444.16; 444.17; 444.18; 444.19; and 444.20.

Reported the same back with the following amendments:

Page 1, line 14, strike “of supervisors”

Page 2, line 7, strike “corporate” and insert “territorial”

Page 2, line 28, strike “corporate limits” and insert “municipality”

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 Local Government and Metropolitan Affairs to which was referred:

H. F. No. 508, A bill for an act relating to local government; permitting statutory cities to have seven member councils; amending Minnesota Statutes 1988, sections 412.02, subdivision 1, and by adding a subdivision; 412.021, subdivision 2; 412.191, subdivisions 1 and 2; 412.541, subdivision 4; 412.571, subdivisions 1 and 4; 412.581; and 412.631.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 509; A bill for an act relating to the city of St. Peter; providing for a seven-member municipal hospital board and a nine-member economic development authority.

Reported the same back with the following amendments:

Page 1, line 17, after "authority" insert ", two of whom must be members of the city council,"

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. 545, A bill for an act relating to natural resources; providing for the disposal of certain low-grade state-owned iron-bearing materials for construction or maintenance purposes; amending Minnesota Statutes 1988, section 93.41, subdivision 1.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 65, 223, 242, 387, 450, 508, 509 and 545 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. No. 215 was read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Bishop; Anderson, G.; Pelowski; Carlson, L., and Price introduced:

H. F. No. 846, A bill for an act relating to education; appropriating money to plan construction at Rochester community college.

The bill was read for the first time and referred to the Committee on Education.

Bishop; Anderson, G.; Pelowski; Carlson, L., and Price introduced:

H. F. No. 847, A bill for an act relating to education; providing for capital expenses at Rochester community college; authorizing sale of state bonds; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Wagenius and Kelly introduced:

H. F. No. 848, A bill for an act relating to judicial administration; regulating the administration of the workers' compensation court of appeals; amending Minnesota Statutes 1988, sections 175A.01, subdivision 1; 175A.02; 175A.07, subdivision 4; and 176.421, subdivisions 5, 6, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

Wagenius; Vellenga; Olsen, S.; Greenfield and Forsythe introduced:

H. F. No. 849, A bill for an act relating to human services; encouraging increased efforts to collect child support for public and nonpublic assistance clients; presuming paternity when blood tests are 99 percent positive; excluding public assistance from income for maintenance and support determinations in divorce; establishing an administrative process to obtain and enforce support orders; appropriating money; amending Minnesota Statutes 1988, sections 15A.083, by adding a subdivision; 256.979; 257.55, subdivision 1; 257.62, subdivision 5; 518.54, subdivision 6; 518.551, subdivision 10; 518.611, subdivision 4; 518.613; and 518.614, subdivision 1; repealing Minnesota Statutes 1988, section 518.613, subdivision 5.

The bill was read for the first time and referred to the Committee on Judiciary.

Wagenius; Carlson, D.; Munger; Vellenga and Pelowski introduced:

H. F. No. 850, A bill for an act relating to solid waste; banning mercuric oxide and silver oxide batteries from solid waste and from solid waste processing and disposal facilities; requiring return mailers with battery packages; requiring labeling of battery packages; proposing coding for new law in Minnesota Statutes, chapters 115A and 325E.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Dempsey and Janezich introduced:

H. F. No. 851, A bill for an act relating to courts; increasing certain fees collected by the court administrator; amending Minnesota Statutes 1988, sections 171.06, subdivisions 2 and 4; 357.021, subdivision 2; and 525.22.

The bill was read for the first time and referred to the Committee on Judiciary.

Sarna, Simoneau, Knickerbocker, Janezich and Williams introduced:

H. F. No. 852, A bill for an act relating to retirement; authorizing employing units to provide early retirement reduction offset annuities to certain employees qualifying under a rule of 85; proposing coding for new law in Minnesota Statutes, chapter 356.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Sviggum, Kalis and Brown introduced:

H. F. No. 853, A bill for an act relating to civil actions; excluding certain structures from the limitation period provided by the uniform commercial code; amending Minnesota Statutes 1988, section 336.2-725.

The bill was read for the first time and referred to the Committee on Commerce.

Williams, Simoneau, Trimble, Dorn and Forsythe introduced:

H. F. No. 854, A bill for an act relating to child care; amending certain provisions of the child care fund; amending provisions of the child care resource and referral grant program; amending provisions of the child care services grant program; amending Minnesota Statutes 1988, sections 256H.01, subdivisions 1, 2, 7, 8, 11, and 12; 256H.02; 256H.03; 256H.05; 256H.07; 256H.08; 256H.09; 256H.10, subdivision 3, and by adding a subdivision; 256H.11; 256H.12; 256H.13; 256H.15; 256H.18; and 256H.20, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 256H; repealing Minnesota Statutes 1988, sections 245.83; 245.84; 245.85; 245.871; 245.872; 245.873; 256H.04; 256H.05, subdivision 4; 256H.06; and 256H.07, subdivision 4.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Segal, Pauly and Trimble introduced:

H. F. No. 855, A bill for an act relating to courts; increasing marriage and dissolution fees; providing funding for battered women and displaced homemaker programs; amending Minnesota Statutes 1988, sections 357.021, subdivisions 2 and 2a; and 517.08, subdivisions 1b and 1c.

The bill was read for the first time and referred to the Committee on Appropriations.

Pugh; Johnson, R.; Sparby; Munger and Carlson, D., introduced:

H. F. No. 856, A bill for an act relating to natural resources; establishing the Minnesota conservation corps; prescribing powers and duties of the commissioner of natural resources; amending Minnesota Statutes 1988, section 86.33; Laws 1988, chapter 690, article 1, section 21.

The bill was read for the first time and referred to the Committee on Economic Development.

Clark; Carlson, L., and Greenfield introduced:

H. F. No. 857, A bill for an act relating to education; providing for model programs in adult vocational occupational literacy training; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 136C.

The bill was read for the first time and referred to the Committee on Education.

Clark, Segal, McLaughlin and Ogren introduced:

H. F. No. 858, A bill for an act relating to occupations and professionals; establishing a system of licensure for acupuncture practitioners; proposing coding for new law in Minnesota Statutes, chapter 148.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Clark and Greenfield introduced:

H. F. No. 859, A bill for an act relating to health and human services; requiring the commissioner of health to distribute information on toxic substances; requiring the commissioner of human services to establish an inhalant abuse demonstration project; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 145 and 254A.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Clark, Jefferson and Otis introduced:

H. F. No. 860, A bill for an act relating to solid waste; banning mercuric oxide and silver oxide batteries from solid waste and from solid waste processing and disposal facilities; requiring return mailers with battery packages; requiring labeling of battery packages; proposing coding for new law in Minnesota Statutes, chapters 115A and 325E.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

O'Connor; Johnson, R.; Reding; Knickerbocker and Simoneau introduced:

H. F. No. 861, A bill for an act relating to retirement; local police and salaried firefighters' relief associations; authorizing annual postretirement payments based on investment performance; adjusting certain requirements governing the preparation of actuarial valuations and the calculation of municipal funding requirements; amending Minnesota Statutes 1988, sections 69.031, subdivision 5;

69.77, subdivision 2b; 356.216; and 423A.01, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 423A.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Pugh, Rest, Bishop, Swenson and Orenstein introduced:

H. F. No. 862, A bill for an act relating to statutes; revising the text of certain laws to remove redundant and obsolete language, to simplify grammar and syntax, and to improve the style of language without causing changes in the meaning of the laws; amending Minnesota Statutes 1988, chapters 226; 230; 233; 234; 235; 236; and 366, as amended.

The bill was read for the first time and referred to the Committee on Judiciary.

Pugh, Munger, Winter, Trimble and Carlson, D., introduced:

H. F. No. 863, A bill for an act relating to natural resources; authorizing conservation officers to enforce certain laws relating to theft and damage or trespass to property; amending Minnesota Statutes 1988, section 97A.205.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Bishop, Vellenga and Orenstein introduced:

H. F. No. 864, A bill for an act relating to crimes; making it a felony to assault or injure a pregnant woman; expanding the crime of criminal vehicular operation; imposing penalties; amending Minnesota Statutes 1988, sections 609.035; 609.21, by adding subdivisions; and 609.266; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes 1988, section 609.21, subdivisions 3 and 4.

The bill was read for the first time and referred to the Committee on Judiciary.

Segal, Vellenga, Trimble and Pauly introduced:

H. F. No. 865, A bill for an act relating to education; requiring the commissioner of education to plan to establish four regional foreign language immersion schools and centers.

The bill was read for the first time and referred to the Committee on Education.

Dorn, Battaglia, Frederick and Ogren introduced:

H. F. No. 866, A bill for an act relating to the city of Mankato; authorizing the establishment of special service districts in the city.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Segal; Carlson, L.; Price; Burger and Trimble introduced:

H. F. No. 867, A bill for an act relating to education; providing for a tuition free post-secondary education for persons with a disability; proposing coding for new law in Minnesota Statutes, chapter 135A.

The bill was read for the first time and referred to the Committee on Education.

Jefferson, Greenfield, Gruenes, Trimble and Segal introduced:

H. F. No. 868, A bill for an act relating to human services; authorizing start-up grants to persons who seek to provide foster care; requiring a five-year commitment to foster care; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 462A.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Olson, K.; Jennings; Carlson, D., and Lieder introduced:

H. F. No. 869, A bill for an act relating to transportation; motor carriers; creating a legislative commission to study the regulation of irregular route carriers; deferring enforcement of Minnesota Statutes, chapter 221, and related rules with respect to irregular route carriers.

The bill was read for the first time and referred to the Committee on Transportation.

Olson, K.; Jennings; Carlson, D.; Stanius and Greenfield introduced:

H. F. No. 870, A bill for an act relating to human services;

clarifying the responsibility of relatives to reimburse counties for burial of indigent persons; amending Minnesota Statutes 1988, section 261.035.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Olson, K., introduced:

H. F. No. 871, A bill for an act relating to taxation; allowing a special levy to the cities of Windom and Jackson to meet costs of operating municipal hospitals; amending Minnesota Statutes 1988, section 275.50, subdivision 5, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Jaros, Boo, Murphy and Munger introduced:

H. F. No. 872, A bill for an act relating to education; proposing a fifth year incentive plan for teachers in the Duluth school district.

The bill was read for the first time and referred to the Committee on Education.

Bishop, Simoneau and Reding introduced:

H. F. No. 873, A bill for an act relating to courts; individual paid health insurance for retired judges; authorizing notification of option to elect purchase of coverage; authorizing judges retired prior to July 1, 1981, to elect purchase of health insurance; amending Minnesota Statutes 1988, section 43A.27, subdivision 4.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Knickerbocker; Limmier; Olsen, S.; Macklin and Frederick introduced:

H. F. No. 874, A bill for an act relating to education; requiring the state board of education to adopt a rule on preparation time for teachers.

The bill was read for the first time and referred to the Committee on Education.

McLaughlin, Rest, Dempsey and Welle introduced:

H. F. No. 875, A bill for an act relating to taxation; reducing the tax capacity percentage applied to rental housing; amending Minnesota Statutes 1988, section 273.13, subdivision 25.

The bill was read for the first time and referred to the Committee on Taxes.

McLaughlin and Heap introduced:

H. F. No. 876, A bill for an act relating to dislocated workers; providing procedures to assist workers affected by employer closings; appropriating money; amending Minnesota Statutes 1988, section 268.08, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 268.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Vellenga and Wagenius introduced:

H. F. No. 877, A bill for an act relating to human services licensing; requiring the commissioner of human services to amend its drop-in day care rule to provide further exemptions from day care center standards and to allow for additional variances; proposing coding for new law in Minnesota Statutes, chapter 245A.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Wenzel introduced:

H. F. No. 878, A bill for an act relating to agriculture; providing drought emergency relief; establishing a program to reimburse farmers for reseeded hay land and certain purchased hay, a damaged water well grant program, and a federal crop insurance grant program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 17.

The bill was read for the first time and referred to the Committee on Agriculture.

Gruenes introduced:

H. F. No. 879, A bill for an act relating to the legislature; requiring

the legislature to conform to the standards of the open meeting law; proposing coding for new law in Minnesota Statutes, chapter 3.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Jefferson introduced:

H. F. No. 880, A bill for an act relating to housing; landlord and tenant; providing for tenant's remedies for failure of owner to repair premises; providing a procedure for actions involving nonpayment of rent; providing penalties; amending Minnesota Statutes 1988, section 566.28; proposing coding for new law in Minnesota Statutes, chapters 504 and 566.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Begich introduced:

H. F. No. 881, A bill for an act relating to workers' compensation; requiring a report on recodification and simplification of the workers' compensation law; appropriating money.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Rukavina, Begich, Trimble, Sarna and Kelly introduced:

H. F. No. 882, A bill for an act relating to employment; providing for severance pay and insurance coverage to certain terminated employees; requiring employers to provide advance notice of certain actions related to plant closings and mass layoffs; appropriating money; amending Minnesota Statutes 1988, section 268.07, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 268A.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Bishop, Waltman, Conway and Hartle introduced:

H. F. No. 883, A bill for an act relating to capital improvements; providing for capital expenses in the Rochester area of southeastern Minnesota; authorizing sale of state bonds; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Frerichs; Gutknecht; Johnson, V., and Pelowski introduced:

H. F. No. 884, A bill for an act relating to capital improvements; providing for capital expenses in the Rochester area of southeastern Minnesota; authorizing sale of state bonds; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Gutknecht, Reding, Redalen, Sviggum and Abrams introduced:

H. F. No. 885, A bill for an act relating to capital improvements; providing for capital expenses in the Rochester area of southeastern Minnesota; authorizing sale of state bonds; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Hasskamp; Johnson, V.; Cooper; Dorn and Dauner introduced:

H. F. No. 886, A bill for an act relating to human services; clarifying definition of community social services; requiring the commissioner to coordinate application procedures for various social services grants; amending Minnesota Statutes 1988, sections 256E.03, subdivision 2; 256E.05, subdivision 3; 256E.08, subdivision 5; 256E.09, subdivision 1; and repealing Minnesota Statutes 1988, section 256E.08, subdivision 9.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Dauner, Sviggum, Steensma, Rodosovich and Orenstein introduced:

H. F. No. 887, A bill for an act relating to human services; authorizing the commissioner to establish case management for people with brain injuries; proposing coding for new law in Minnesota Statutes, chapter 256B; repealing Minnesota Statutes 1988, section 256B.0625, subdivision 21.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Ostrom, Sviggum, Kelso, Dorn and Greenfield introduced:

H. F. No. 888, A bill for an act relating to human services; allowing case managers or the commissioner to carry out screening for home and community-based services; allowing counties to contract for guardianship services in screening for services; amending Minnesota Statutes 1988, section 256B.092, subdivision 7.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Clark, Vellenga, Cooper, Sviggum and Runbeck introduced:

H. F. No. 889, A bill for an act relating to health; establishing a state board of physical therapy; providing licensing requirements for physical therapists; amending Minnesota Statutes 1988, sections 148.66; 148.67; 148.70; 148.705; 148.71; 148.72, subdivisions 1, 2, and 4; 148.73; 148.74; 148.75; 148.76; and 148.78; proposing coding for new law in Minnesota Statutes, chapter 148.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Jefferson, Greenfield, Forsythe and Pappas introduced:

H. F. No. 890, A bill for an act relating to human services; providing for allocation of funds for chemical dependency programs; amending Minnesota Statutes 1988, sections 254B.02, subdivision 1; 254B.03, subdivision 4; 254B.04, subdivision 2; 254B.06, subdivision 1; and 254B.09, subdivisions 1, 4, and 5; repealing Minnesota Statutes 1988, sections 254B.09, subdivision 3; and 254B.10.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Begich, Battaglia, Munger and Carlson, D., introduced:

H. F. No. 891, A bill for an act relating to the environment; limiting the application of pesticides; proposing coding for new law in Minnesota Statutes, chapter 18B.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Brown, Vanasek, Kinkel and Ozment introduced:

H. F. No. 892, A bill for an act relating to public safety; changing

the definition of "dwelling"; authorizing more stringent local smoke detector requirements; creating the position of public fire safety educator; appropriating money; amending Minnesota Statutes 1988, section 299F.362, subdivisions 1, 9, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Rodosovich; Wynia; Murphy; Anderson, R., and Greenfield introduced:

H. F. No. 893, A bill for an act relating to human services; disregarding the first \$50 of child support received when determining eligibility for food stamps; expanding the local income assistance grant program; appropriating money; amending Minnesota Statutes 1988, section 393.07, subdivision 10; and Laws 1988, chapter 689, article 2, sections 248, and 269, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Nelson, K.; Olsen, S., and Wynia introduced:

H. F. No. 894, A bill for an act relating to education; providing matching grants to school districts for participation in the Center for Applied Research and Education Improvement; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Brown and Nelson, C., introduced:

H. F. No. 895, A bill for an act relating to state lands; authorizing the commissioner of transportation to convey certain surplus property to Stevens county for other than public purposes; authorizing the county to sell the property for other than public purposes through a negotiated sale.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Begich; Carlson, D.; Johnson, V.; Battaglia and Janezich introduced:

H. F. No. 896, A bill for an act relating to game and fish;

prohibiting obstruction of shooting, hunting, fishing, and trapping; providing criminal and civil penalties.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Hasskamp; Scheid; Battaglia; Johnson, V., and Tompkins introduced:

H. F. No. 897, A bill for an act relating to local government; clarifying certain procedures for adoption of town optional plans of government; amending Minnesota Statutes 1988, sections 367.31, subdivisions 1, 2, 3, and 5; and 367.33, subdivisions 1 and 5.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Jennings, Krueger, Kinkel, McPherson and Abrams introduced:

H. F. No. 898, A bill for an act relating to employment; setting the minimum wage for employees who receive gratuities; amending Minnesota Statutes 1988, section 177.24, subdivision 1.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Quinn introduced:

H. F. No. 899, A bill for an act relating to retirement; public employees retirement association; permitting certain employees to purchase credit for prior service for which no salary deductions were made for the association.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Dorn; Carlson, L.; Pelowski; Williams and Heap introduced:

H. F. No. 900, A bill for an act relating to education; exempting the state university system from department of administration procurement procedures for certain equipment; proposing coding for new law in Minnesota Statutes, chapter 136.

The bill was read for the first time and referred to the Committee on Education.

Segal, Ogren, Greenfield, Gruenes and Stanius introduced:

H. F. No. 901, A bill for an act relating to human services; establishing a resource center on caregiver support; creating a grant program of respite care services; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Miller, Syggum, McPherson and Omann introduced:

H. F. No. 902, A bill for an act proposing an amendment to the Minnesota Constitution, adding a section to article VIII; providing for the recall of elected officials.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Ogren; Greenfield; Anderson, R.; Vellenga and Rodosovich introduced:

H. F. No. 903, A bill for an act relating to human services; establishing policy; changing the role of regional treatment centers; providing for community-based services for certain persons; amending Minnesota Statutes 1988, sections 245.463, by adding a subdivision; 245.476, by adding a subdivision; 245.94, subdivision 1; 246.18, subdivision 4; 246.36; 246.57, subdivision 1; 251.011, subdivision 4, and by adding a subdivision; 252.291, subdivision 2; 252.31; 252.41, subdivision 9; 252.50; 253.015; 253B.17, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 245; 246; 251; 252; 253; and 256E.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Waltman, McPherson, Redalen, Pellow and Swenson introduced:

H. F. No. 904, A bill for an act relating to groundwater; establishing water appropriation priorities; appropriating money; amending Minnesota Statutes 1988, sections 105.41, subdivision 1a; and 105.418.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Frederick, Marsh, Pellow, Hugoson and Valento introduced:

H. F. No. 905, A bill for an act relating to human services; expanding eligibility for child care sliding fee program; providing for reimbursement of child care provider accreditation fees; creating an office of child care providers assistance in the department of human services; increasing the number of certain licensing inspections; requiring a privately operated child care in the capitol complex; establishing state policy for certain inspections; exempting construction materials and equipment from sales tax; creating a tuition tax credit; creating an employer tax credit for child care operations; appropriating money; amending Minnesota Statutes 1988, sections 16B.04, subdivision 2; 16B.39, by adding a subdivision; 245A.04, by adding a subdivision; 245A.14, by adding a subdivision; 256H.10, subdivisions 1 and 2, and by adding a subdivision; 290.06, by adding subdivisions; and 297A.25, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 245.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Sarna; Morrison; Johnson, V.; Battaglia and Rice introduced:

H. F. No. 906, A bill for an act relating to transportation; providing continued special transportation service for persons with permanent sensory or mental impairment; requiring coordination between regional transit board and department of human services to maximize federal reimbursement; requiring adoption of transit voucher program for persons with permanent impairments; providing for appeals of decisions of regional transit board; appropriating money; amending Minnesota Statutes 1988, sections 174.29, subdivision 2; 256B.04, by adding a subdivision; and 473.386, subdivision 1, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 256B.

The bill was read for the first time and referred to the Committee on Transportation.

Orenstein, Bishop, Jacobs, Rice and Pellow introduced:

H. F. No. 907, A bill for an act relating to public safety; providing for authority to regulate pipelines; imposing penalties; amending Minnesota Statutes 1988, sections 116L.01, subdivision 3; 116L.05; 216D.01, subdivisions 9 and 10, and by adding a subdivision; 299F.56, subdivisions 5 and 6a; 299F.57; 299F.59, subdivision 1; 299F.60; 299F.61; 299F.62; 299F.63; 299F.631; 299F.641; 299J.01; 299J.03, subdivision 2; 299J.04; 299J.06, subdivision 2; 299J.08; 299J.10; 299J.11; 299J.12; and 299J.16; proposing coding for new

law in Minnesota Statutes, chapter 216D; repealing Minnesota Statutes 1988, sections 299J.05 and 299J.09.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Pauly, Lynch, Pellow, Weaver and Valento introduced:

H. F. No. 908, A bill for an act relating to groundwater; establishing a water information committee; appropriating money; amending Minnesota Statutes 1988, sections 116C.40, by adding subdivisions; 116C.41, subdivision 1; and 116E.03, subdivision 9; proposing coding for new law in Minnesota Statutes, chapters 116C and 116E.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Carlson, D., and Begich introduced:

H. F. No. 909, A bill for an act relating to workers' compensation; providing coverage for preventive rabies treatment; amending Minnesota Statutes 1988, section 176.135, subdivision 1.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Krueger, McEachern, Kalis and Vanasek introduced:

H. F. No. 910, A bill for an act relating to education; imposing educational conditions on juveniles to enroll in driver's education courses and to receive driver's permits and licenses; amending Minnesota Statutes 1988, sections 171.04; 171.05, by adding a subdivision; and 171.18; proposing coding for new law in Minnesota Statutes, chapters 126 and 171.

The bill was read for the first time and referred to the Committee on Education.

Uphus; Schafer; Poppenhagen; Nelson, C., and Jennings introduced:

H. F. No. 911, A bill for an act relating to conservation; authorizing state cost-sharing for replanting of certain trees; appropriating money.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Uphus; Waltman; Poppenhagen; Johnson, V., and Redalen introduced:

H. F. No. 912, A bill for an act relating to education; establishing a basic revenue formula allowance for fiscal years 1990 and 1991; revising the training and experience revenue formula; amending Minnesota Statutes 1988, section 124A.22, subdivisions 2 and 4.

The bill was read for the first time and referred to the Committee on Education.

Valento, Weaver, Henry, Pellow and Tjornhom introduced:

H. F. No. 913, A bill for an act relating to groundwater; providing for well sealing grants; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 110C.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Miller, Girard, Omann and Hugoson introduced:

H. F. No. 914, A bill for an act relating to groundwater; providing for waste pesticide collection; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 115.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Miller, Hugoson, Girard, Lynch and Omann introduced:

H. F. No. 915, A bill for an act relating to groundwater; providing for local water resources protection and management; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 110C.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Carruthers; Osthoff; Johnson, A.; Battaglia and Morrison introduced:

H. F. No. 916, A bill for an act relating to metropolitan government; providing a salary range and specifying responsibilities for the chair of the waste control commission; amending Minnesota Statutes 1988, sections 15A.081, subdivisions 1 and 7; and 473.141, subdivision 3.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Sviggum and Waltman introduced:

H. F. No. 917, A bill for an act relating to taxation; allowing a special levy to Goodhue county for a county historical society; amending Minnesota Statutes 1988, section 275.50, subdivision 5, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Onnen; Olsen, S.; Runbeck; Lynch and Gutknecht introduced:

H. F. No. 918, A bill for an act relating to taxation; providing an income tax credit for families with only one principal wage earner; amending Minnesota Statutes 1988, section 290.06, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Williams, Pappas, Kinkel and Pellow introduced:

H. F. No. 919, A bill for an act relating to insurance; requiring property and casualty insurance companies to provide support for use of underwriting standards; prohibiting the use of underwriting standards that are arbitrary, capricious, or unfairly discriminatory; requiring the commissioner to report to the legislature on certain matters; amending Minnesota Statutes 1988, section 72A.20, subdivision 19, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Insurance.

Otis introduced:

H. F. No. 920, A bill for an act relating to civil actions; providing immunity from liability for certain firearms instructors whose students cause harm through misuse of a firearm; proposing coding for new law in Minnesota Statutes, chapter 97B.

The bill was read for the first time and referred to the Committee on Judiciary.

Olsen, S., and Battaglia introduced:

H. F. No. 921, A bill for an act relating to the city of Hopkins; authorizing the establishment of special service districts.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Pauly; Henry; Knickerbocker; Olsen, S., and Valento introduced:

H. F. No. 922, A resolution memorializing the President and Congress of the United States to take action to isolate Iran because of its barbarism.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Dempsey introduced:

H. F. No. 923, A bill for an act relating to human services; creating an exception to the moratorium on certification of nursing home beds; amending Minnesota Statutes 1988, section 144A.071, subdivision 3.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Onnen introduced:

H. F. No. 924, A bill for an act relating to groundwater; establishing best management practices and water resources protection requirements; regulating pollution limits; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 115D.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Long; Rest; Olsen, S.; Kahn and Rice introduced:

H. F. No. 925, A bill for an act relating to Hennepin county; permitting appropriations for the arts; proposing coding for new law in Minnesota Statutes, chapter 383B.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Stanius, Sarna, Osthoff, Weaver and Gutknecht introduced:

H. F. No. 926, A bill for an act relating to game and fish; authorizing designation of trophy northern pike waters; repealing certain restrictions on winter fishing; amending Minnesota Statutes 1988, section 97C.011; repealing Minnesota Statutes 1988, section 97C.385.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Lasley, Kalis, Vellenga, Steensma and Dempsey introduced:

H. F. No. 927, A bill for an act relating to traffic regulations; defining terms; subjecting driver of commercial motor vehicle to stricter federal standard on alcohol-related driving; providing for and regulating category of commercial driver's license and commercial motor vehicle drivers; authorizing Minnesota to join driver license compact; allowing exchange of driver license information with other states; promoting consolidated, complete driver record; imposing penalties; appropriating money; amending Minnesota Statutes 1988, sections 168.011, subdivision 9; 169.01, subdivision 50, and by adding a subdivision; 169.123, subdivisions 2, 4, 5, 5a, 5b, 5c, and 6; 171.01, subdivision 19, and by adding subdivisions; 171.02, subdivision 2; 171.03; 171.04; 171.06, subdivisions 2 and 3; 171.07, by adding a subdivision; 171.10, subdivision 2; 171.12, subdivision 2; 171.13, subdivision 5; 171.14; 171.16, subdivision 1; 171.18; 171.19; 171.20; 171.22, subdivision 1; 171.24; and 171.30, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 169 and 171.

The bill was read for the first time and referred to the Committee on Transportation.

McEachern and Nelson, K., introduced:

H. F. No. 928, A bill for an act relating to education; requiring instructors to have teaching licenses; amending Minnesota Statutes 1988, sections 120.101, subdivisions 7 and 8; and 120.102, subdivision 1.

The bill was read for the first time and referred to the Committee on Education.

Henry, Simoneau, Tjornhom, Kelso and Bertram introduced:

H. F. No. 929, A bill for an act relating to retirement; authorizing

certain members of the public employees retirement association to change beneficiaries.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Waltman, by request, introduced:

H. F. No. 930, A bill for an act relating to wild animals; removing authority to offer a bounty on rattlesnakes; amending Minnesota Statutes 1988, sections 348.12 and 348.13.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Kalis, Seaberg, Tunheim and Lieder introduced:

H. F. No. 931, A bill for an act relating to motor vehicles; requiring owner to retain certificate of title, rather than secured party; requiring buyer to deliver certificate of title to department of public safety; allowing commissioner of public safety to suspend or revoke certificate of title if owner does not surrender it and vehicle is involuntarily transferred; amending Minnesota Statutes 1988, sections 168A.02, subdivision 1; 168A.04, subdivision 2; 168A.05, subdivision 5; 168A.06; 168A.09; 168A.10; 168A.11, subdivision 1; 168A.12, subdivision 2; 168A.14; 168A.18; 168A.20, subdivision 1, and by adding subdivisions; 168A.23, subdivision 1; repealing Minnesota Statutes 1988, sections 168A.26; 168A.27; and 168A.28.

The bill was read for the first time and referred to the Committee on Transportation.

## MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 101, 156 and 227.

PATRICK E. FLAHAVEN, Secretary of the Senate

**FIRST READING OF SENATE BILLS**

S. F. No. 101, A bill for an act relating to human services; clarifying definition of community social services; requiring the commissioner to coordinate application procedures for various social services grants; amending Minnesota Statutes 1988, sections 256E.03, subdivision 2; 256E.05, subdivision 3; 256E.08, subdivision 5; 256E.09, subdivision 1; and repealing Minnesota Statutes 1988, section 256E.08, subdivision 9.

The bill was read for the first time and referred to the Committee on Health and Human Services.

S. F. No. 156, A bill for an act relating to gambling; authorizing the governor to negotiate a tribal-state compact pursuant to the Indian gaming regulatory act; proposing coding for new law in Minnesota Statutes, chapter 3.

The bill was read for the first time.

Kostohryz moved that S. F. No. 156 and H. F. No. 79, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 227, A bill for an act relating to health; enacting the uniform determination of death act; proposing coding for new law in Minnesota Statutes, chapter 145.

The bill was read for the first time and referred to the Committee on Health and Human Services.

**CONSENT CALENDAR**

S. F. No. 171, A bill for an act relating to law libraries; permitting fees to be set annually; amending Minnesota Statutes 1988, section 140.422, subdivision 4.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 124 yeas and 1 nay as follows:

## Those who voted in the affirmative were:

Abrams	Frerichs	Lieder	Ostrom	Simoneau
Anderson, G.	Girard	Limmer	Ozment	Skoglund
Battaglia	Greenfield	Long	Pappas	Solberg
Bauerly	Gruenes	Lynch	Pauly	Sparby
Beard	Gutknecht	Macklin	Pellow	Stanius
Bennett	Hartle	McDonald	Pelowski	Steensma
Bertram	Hasskamp	McEachern	Peterson	Swiggum
Bishop	Haukoos	McGuire	Poppenhagen	Swenson
Blatz	Heap	McPherson	Price	Tjornhom
Boo	Henry	Milbert	Pugh	Tompkins
Brown	Hugoson	Miller	Quinn	Trimble
Burger	Jacobs	Morrison	Redalen	Tunheim
Carlson, D.	Janezich	Munger	Reding	Uphus
Carlson, L.	Jaros	Murphy	Rest	Valento
Carruthers	Jefferson	Nelson, C.	Rice	Vellenga
Clark	Johnson, A.	Nelson, K.	Richter	Wagenius
Conway	Johnson, R.	Neuenschwander	Rodosovich	Waltman
Cooper	Johnson, V.	Ogren	Rukavina	Weaver
Dauner	Kalis	Olsen, S.	Runbeck	Welle
Dawkins	Kelly	Olsen, E.	Sarna	Wenzel
Dempsey	Kelso	Olsen, K.	Schafer	Williams
Dille	Kinkel	Omamm	Scheid	Winter
Dorn	Kostohryz	Onnen	Schreiber	Wynia
Forsythe	Krueger	Orenstein	Seaberg	Spk. Vanasek
Frederick	Lasley	Osthoff	Segal	

## Those who voted in the negative were:

Jennings

The bill was passed and its title agreed to.

H. F. No. 106, A bill for an act relating to game and fish; selection process for wild turkey license holders; proposing coding for new law in Minnesota Statutes, chapter 97B.

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	Carlson, D.	Frerichs	Jaros	Krueger
Anderson, G.	Carlson, L.	Girard	Jefferson	Lasley
Battaglia	Carruthers	Greenfield	Jennings	Lieder
Bauerly	Clark	Gruenes	Johnson, A.	Limmer
Beard	Conway	Gutknecht	Johnson, R.	Long
Begich	Cooper	Hartle	Johnson, V.	Lynch
Bennett	Dauner	Hasskamp	Kahn	Macklin
Bertram	Dawkins	Haukoos	Kalis	Marsh
Bishop	Dempsey	Heap	Kelly	McDonald
Blatz	Dille	Henry	Kelso	McEachern
Boo	Dorn	Hugoson	Kinkel	McGuire
Brown	Forsythe	Jacobs	Knickerbocker	McLaughlin
Burger	Frederick	Janezich	Kostohryz	McPherson

Milbert	Onnen	Quinn	Segal	Valento
Miller	Orenstein	Redalen	Simoneau	Vellenga
Morrison	Osthoff	Reding	Skoglund	Wagenius
Munger	Ostrom	Rest	Solberg	Waltman
Murphy	Otis	Rice	Sparby	Weaver
Nelson, C.	Ozment	Richter	Stanius	Welle
Nelson, K.	Pappas	Rodosovich	Steenasma	Wenzel
Neuenschwander	Pauly	Rukavina	Sviggum	Williams
O'Connor	Pellow	Runbeck	Swenson	Winter
Ogren	Pelowski	Sarna	Tjornhom	Wynia
Olsen, S.	Peterson	Schafer	Tompkins	Spk. Vanasek
Olson, E.	Poppenhagen	Scheid	Trimble	
Olson, K.	Price	Schreiber	Tunheim	
Omann	Pugh	Seaberg	Uphus	

The bill was passed and its title agreed to.

H. F. No. 267, A bill for an act relating to the military; reducing from two years to one year the number of years the adjutant general of the Minnesota national guard is required to serve as a brigadier general before promotion to major general; amending Minnesota Statutes 1988, section 190.07.

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	Frederick	Kostohryz	Omann	Scheid
Anderson, G.	Frerichs	Krueger	Onnen	Schreiber
Anderson, R.	Girard	Lasley	Orenstein	Seaberg
Battaglia	Greenfield	Lieder	Osthoff	Segal
Bauerly	Gruenes	Limmer	Ostrom	Simoneau
Beard	Gutknecht	Long	Otis	Skoglund
Begich	Hartle	Lynch	Ozment	Solberg
Bennett	Hasskamp	Macklin	Pappas	Sparby
Bertram	Haukoos	Marsh	Pauly	Stanius
Bishop	Heap	McDonald	Pellow	Steenasma
Blatz	Henry	McEachern	Pelowski	Sviggum
Boo	Hugoson	McGuire	Peterson	Swenson
Brown	Jacobs	McLaughlin	Poppenhagen	Tjornhom
Burger	Janezich	McPherson	Price	Tompkins
Carlson, D.	Jaros	Milbert	Pugh	Trimble
Carlson, L.	Jefferson	Miller	Quinn	Tunheim
Carruthers	Jennings	Morrison	Redalen	Uphus
Clark	Johnson, A.	Munger	Reding	Valento
Conway	Johnson, R.	Murphy	Rest	Vellenga
Cooper	Johnson, V.	Nelson, C.	Rice	Wagenius
Dauner	Kahn	Nelson, K.	Richter	Waltman
Dawkins	Kalis	Neuenschwander	Rodosovich	Weaver
Dempsey	Kelly	O'Connor	Rukavina	Welle
Dille	Kelso	Olsen, S.	Runbeck	Wenzel
Dorn	Kinkel	Olson, E.	Sarna	Williams
Forsythe	Knickerbocker	Olson, K.	Schafer	Winter
				Wynia
				Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 410, A bill for an act relating to public safety; defining high pressure piping; regulating the practice of pipefitting; amending Minnesota Statutes 1988, section 326.461, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Girard	Lieder	Osthoff	Simoneau
Anderson, G.	Greenfield	Limmer	Ostrom	Skoglund
Anderson, R.	Gruenes	Long	Otis	Solberg
Battaglia	Gutknecht	Lynch	Ozment	Sparby
Bauerly	Hartle	Macklin	Pappas	Stanius
Beard	Hasskamp	Marsh	Pauly	Steenma
Begich	Haukoos	McDonald	Pellow	Svigum
Bennett	Heap	McEachern	Pelowski	Swenson
Bertram	Henry	McGuire	Peterson	Tjornhom
Bishop	Hugoson	McLaughlin	Poppenhagen	Tompkins
Blatz	Jacobs	McPherson	Price	Trimble
Brown	Janezich	Milbert	Pugh	Tunheim
Burger	Jaros	Miller	Quinn	Uphus
Carlson, D.	Jefferson	Morrison	Redalen	Valento
Carlson, L.	Jennings	Munger	Reding	Vellenga
Carruthers	Johnson, A.	Murphy	Rest	Wagenius
Clark	Johnson, R.	Nelson, C.	Rice	Waltman
Conway	Johnson, V.	Nelson, K.	Richter	Weaver
Cooper	Kahn	Neuenschwander	Rodosovich	Welle
Dauner	Kalis	O'Connor	Rukavina	Wenzel
Dawkins	Kelly	Ogren	Runbeck	Williams
Dempsey	Kelso	Olsen, S.	Sarna	Winter
Dille	Kinkel	Olson, E.	Schafer	Wynia
Dorn	Knickerbocker	Olson, K.	Scheid	Spk. Vanasek
Forsythe	Kostohryz	Omman	Schreiber	
Frederick	Krueger	Onnen	Seaberg	
Frerichs	Lasley	Orenstein	Segal	

The bill was passed and its title agreed to.

H. F. No. 527 was reported to the House.

Skoglund moved that H. F. No. 527 be continued on the Consent Calendar. The motion prevailed.

## CALENDAR

H. F. No. 214, A bill for an act relating to taxation; making technical corrections and clarifications to individual income and

corporate franchise taxes; updating references to the Internal Revenue Code; imposing a tax and providing for withholding of certain payments to nonresidents; requiring surety payment by out-of-state contractors; amending Minnesota Statutes 1988, sections 290.01, subdivisions 4, 7, 19, 19a, 19b, 19c, 19d, 19e, and 19f; 290.06, subdivision 22; 290.067, subdivision 1; 290.0802, subdivisions 1 and 2; 290.095, subdivision 9; 290.17, subdivisions 1 and 2; 290.311, subdivision 1; 290.92, by adding subdivisions; and 291.005, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 290; repealing Minnesota Statutes 1988, section 290.01, subdivision 6a.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Lasley	Osthoff	Simoneau
Anderson, G.	Girard	Lieder	Ostrom	Skoglund
Anderson, R.	Greenfield	Limmer	Otis	Solberg
Battaglia	Gruenes	Long	Ozment	Sparby
Bauerly	Gutknecht	Lynch	Pappas	Stanius
Beard	Hartle	Macklin	Pauly	Steenma
Begich	Hasskamp	Marsh	Pellow	Sviggum
Bennett	Haukoos	McDonald	Pelowski	Swenson
Bertram	Heap	McEachern	Peterson	Tjornhom
Bishop	Henry	McGuire	Poppenhagen	Tompkins
Blatz	Hugoson	McLaughlin	Price	Trimble
Boo	Jacobs	McPherson	Pugh	Tunheim
Brown	Janezich	Milbert	Quinn	Uphus
Burger	Jaros	Miller	Redalen	Valento
Carlson, D.	Jefferson	Morrison	Reding	Vellenga
Carlson, L.	Jennings	Munger	Rest	Wagenius
Carruthers	Johnson, A.	Murphy	Rice	Waltman
Clark	Johnson, R.	Nelson, C.	Richter	Weaver
Conway	Johnson, V.	Nelson, K.	Rodosovich	Welle
Cooper	Kahn	Neuenschwander	Rukavina	Wenzel
Dauner	Kalis	Ogren	Runbeck	Williams
Dawkins	Kelly	Olsen, S.	Sarna	Winter
Dempsey	Kelso	Olson, E.	Schafer	Wynia
Dille	Kinkel	Olson, K.	Scheid	Spk. Vanasek
Dorn	Knickerbocker	Omman	Schreiber	
Forsythe	Kostohryz	Onnen	Seaberg	
Frederick	Krueger	Orenstein	Segal	

The bill was passed and its title agreed to.

H. F. No. 371, A bill for an act relating to corrections; authorizing the commissioner of corrections to take photographs of juveniles committed to the commissioner for management and law enforce-

ment purposes; amending Minnesota Statutes 1988, section 260.161, 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 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Lasley	Orenstein	Segal
Anderson, G.	Girard	Lieder	Osthoff	Simoneau
Anderson, R.	Greenfield	Limmer	Ostrom	Skoglund
Battaglia	Gruenes	Long	Otis	Solberg
Bauerly	Gutknecht	Lynch	Ozment	Sparby
Beard	Hartle	Macklin	Pappas	Stanius
Begich	Hasskamp	Marsh	Pauly	Steenma
Bennett	Haukoos	McDonald	Pellow	Swiggum
Bertram	Heap	McEachern	Pelowski	Swenson
Bishop	Henry	McGuire	Peterson	Tjornhom
Blatz	Hugoson	McLaughlin	Poppenhagen	Tompkins
Boo	Jacobs	McPherson	Price	Trimble
Brown	Janezich	Milbert	Pugh	Tunheim
Burger	Jaros	Miller	Quinn	Uphus
Carlson, D.	Jefferson	Morrison	Redalen	Valento
Carlson, L.	Jennings	Munger	Reding	Vellenga
Carruthers	Johnson, A.	Murphy	Rest	Wagenius
Clark	Johnson, R.	Nelson, C.	Rice	Waltman
Conway	Johnson, V.	Nelson, K.	Richter	Weaver
Cooper	Kahn	Neuenschwander	Rodosovich	Welle
Dauner	Kalis	O'Connor	Rukavina	Wenzel
Dawkins	Kelly	Ogren	Runbeck	Winter
Dempsey	Kelso	Olsen, S.	Sarna	Wynia
Dille	Kinkel	Olson, E.	Schafer	Spk. Vanasek
Dorn	Knickerbocker	Olson, K.	Scheid	
Forsythe	Kostohryz	Omman	Schreiber	
Frederick	Krueger	Onnen	Seaberg	

The bill was passed and its title agreed to.

## GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Redalen in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 43, 85, 426 and 502 were recommended to pass.

S. F. No. 32 was recommended to pass.

H. F. Nos. 148, 72, 321 and 322 were recommended for progress.

H. F. Nos. 15 and 531 were recommended for re-referral to the Committee on Appropriations.

H. F. No. 154, the first engrossment, which it recommended to pass with the following amendment offered by Lasley:

Page 1, lines 20 to 22, delete the new language and reinstate the stricken language

Page 1, line 22, before the period, insert "or, if the victim failed to report the offense within this limitation period, within two years after the offense was reported to law enforcement authorities, but in no event may an indictment or complaint be found or made after the victim attains the age of 25 years"

H. F. No. 323, the first engrossment, which it recommended to pass with the following amendment offered by Scheid:

Page 1, line 19, after "to" insert "and the reimbursement for parts purchased by"

Page 1, line 22, delete "Reimbursement for"

Page 1, delete lines 23 to 25

On the motion of Wynia the report of the Committee of the Whole was adopted.

## MOTIONS AND RESOLUTIONS

Kalis moved that the name of Lieder be shown as chief author and the name of Kalis be shown as second author and the names of Carlson, D.; Conway and Johnson, R., be added as authors on H. F. No. 46. The motion prevailed.

Olsen, S., moved that the names of Henry and Tjornhom be added as authors on H. F. No. 264. The motion prevailed.

Otis moved that the name of Johnson, V., be added as an author on H. F. No. 353. The motion prevailed.

Skoglund moved that the names of Wenzel and Winter be added as authors on H. F. No. 611. The motion prevailed.

Reding moved that the name of Murphy be added as an author on H. F. No. 690. The motion prevailed.

McLaughlin moved that the name of Dawkins be added as an author on H. F. No. 712. The motion prevailed.

Ogren moved that the name of Runbeck be added as an author on H. F. No. 715. The motion prevailed.

Sparby moved that the name of Jacobs be added as an author on H. F. No. 781. The motion prevailed.

McDonald moved that the name of Schafer be added as an author on H. F. No. 787. The motion prevailed.

Winter moved that the names of Dauner and Steensma be stricken and the names of Clark and Bauerly be added as authors on H. F. No. 790. The motion prevailed.

Skoglund moved that the names of Henry and Dille be added as authors on H. F. No. 792. The motion prevailed.

Price moved that the names of Runbeck and Lynch be added as authors on H. F. No. 813. The motion prevailed.

Carruthers moved that the name of Henry be added as an author on H. F. No. 815. The motion prevailed.

Sparby moved that H. F. No. 727 be recalled from the Committee on Taxes and be re-referred to the Committee on Financial Institutions and Housing. The motion prevailed.

Tunheim moved that S. F. No. 204 be recalled from the Committee on General Legislation, Veterans Affairs and Gaming and together with H. F. No. 72, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

#### ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 2:30 p.m., Thursday, March 2, 1989. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Thursday, March 2, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION—1989

## SEVENTEENTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, MARCH 2, 1989

The House of Representatives convened at 2:30 p.m. and was called to order by Robert E. Vanasek, Speaker of the House.

Prayer was offered by Monsignor James D. Habiger, House Chaplain, St. Paul, Minnesota.

The roll was called and the following members were present:

Abrams	Frerichs	Lasley	Orenstein	Skoglund
Anderson, G.	Girard	Lieder	Ostrom	Solberg
Anderson, R.	Greenfield	Limmer	Ozment	Sparby
Battaglia	Gruenes	Long	Pauly	Stanius
Bauerly	Gutknecht	Lynch	Pellow	Steensma
Beard	Hartle	Macklin	Pelowski	Sviggum
Begich	Hasskamp	Marsh	Peterson	Swenson
Bennett	Haukoos	McDonald	Poppenhagen	Tjornhom
Bertram	Heap	McEachern	Price	Tompkins
Blatz	Henry	McGuire	Pugh	Trimble
Boo	Himle	McLaughlin	Quinn	Tunheim
Brown	Hugoson	McPherson	Redalen	Uphus
Burger	Jacobs	Milbert	Reding	Valento
Carlson, D.	Janezich	Miller	Rest	Vellenga
Carlson, L.	Jaros	Morrison	Rice	Wagenius
Carruthers	Jefferson	Munger	Richter	Waltman
Clark	Jennings	Murphy	Rodosovich	Weaver
Conway	Johnson, A.	Nelson, C.	Rukavina	Welle
Cooper	Johnson, R.	Nelson, K.	Runbeck	Wenzel
Dauner	Johnson, V.	Neuenschwander	Sarna	Williams
Dawkins	Kahs	O'Connor	Schafer	Winter
Dempsey	Kelly	Olsen, S.	Scheid	Wynia
Dille	Kelso	Olson, E.	Schreiber	Spk. Vanasek
Dorn	Kinkel	Olson, K.	Seaberg	
Forsythe	Knickerbocker	Omann	Segal	
Frederick	Kostohryz	Onnen	Simoneau	

A quorum was present.

Kahn, Krueger, Ogren, Otis and Pappas were excused.

Bishop was excused until 3:00 p.m. Osthoff was excused until 4:10 p.m.

The Chief Clerk proceeded to read the Journal of the preceding

day. Pellow 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

Pursuant to Rules of the House, printed copies of H. F. Nos. 65, 508, 545, 223, 242, 387, 450, 509, 154 and 323 and S. F. Nos. 156, 101, 227 and 574 have been placed in the members' files.

S. F. No. 204 and H. F. No. 72, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Tunheim moved that the rules be so far suspended that S. F. No. 204 be substituted for H. F. No. 72 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 156 and H. F. No. 79, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Kostohryz moved that the rules be so far suspended that S. F. No. 156 be substituted for H. F. No. 79 and that the House File be indefinitely postponed. The motion prevailed.

#### REPORTS OF STANDING COMMITTEES

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 7, A bill for an act relating to the city of Edina; authorizing the city to operate a public transit system and to acquire necessary equipment, land, and interests in land; permitting the establishment of a special service district in the city; providing taxing and other authority; providing that the city and the housing and redevelopment authority need not require competitive bidding and bonds in connection with certain redevelopment projects.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [PUBLIC TRANSIT SYSTEM.]

The city of Edina may acquire, construct, maintain, and operate a public transit system not operating on fixed rails in the area of the city bounded by county state aid road number 62 on the north, trunk highway 100 on the west, and the city limits on the south and east. The city may acquire, by purchase, lease, or other means, all equipment or other personal property necessary or convenient to operate the system. The city may acquire by purchase, lease, gift, devise, condemnation, or otherwise all land and right-of-way or other interests in land necessary or convenient to construct or operate the system. The city may enter into contracts necessary or proper to acquire, construct, maintain, or operate the system. The city shall have all powers necessary or convenient to acquire, construct, maintain, or operate the system. The city may, in lieu of directly operating the system or any part of it, contract with a person to manage or operate it on behalf of the city. The operation of the public transit system by the city shall not be subject to regulation by the transportation regulation board under Minnesota Statutes, chapter 221.

Sec. 2. [SPECIAL SERVICE DISTRICT.]

For the purposes of this section “special services” means all services rendered or contracted for by the city, including, but not limited to:

(1) acquisition, construction, maintenance, and operation of the public transit system authorized by section 1; and

(2) any other service provided to the public by the city authorized by any law.

The governing body of the city of Edina may adopt ordinances establishing special service districts in the city. The provisions of Minnesota Statutes, chapter 428A, shall govern the establishment and operation of special service districts in the city, except that if any special service district includes the property of Fairview Southdale Hospital in the city, then service charges may be imposed under chapter 428A against the property and improvements of Fairview Southdale Hospital as well as other property in the district.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing body of the city of Edina.

**Sec. 4. [EXCEPTION FROM COMPETITIVE BIDDING AND PERFORMANCE BONDS.]**

The city of Edina and its housing and redevelopment authority need not require either competitive bidding or performance bonds with respect to any facilities or other improvements to be owned by or subject to easements in favor of the city or authority which are constructed in connection with residential developments constructed in conjunction with redevelopment projects, as defined in Minnesota Statutes, section 469.002, subdivision 14, to be undertaken in the southeast Edina redevelopment plan area of the authority.

**Sec. 5. [EFFECTIVE DATE.]**

Section 4 is effective the day after compliance with Minnesota Statutes, section 645.021, subdivision 3, by the governing bodies of the city of Edina and the housing and redevelopment authority of Edina.

Delete the title and insert:

"A bill for an act relating to the city of Edina; authorizing the city to operate a public transit system and to acquire necessary equipment, land, and interests in land; permitting the establishment of special service districts in the city; providing that the city and the housing and redevelopment authority need not require competitive bidding and bonds in connection with certain redevelopment projects."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 46, A bill for an act relating to transportation; increasing amount authorized for state transportation bonds for bridges; amending Laws 1979, chapter 280, sections 1 and 2, as amended.

Reported the same back with the following amendments:

Page 2, line 23, before "Additional" insert "Grants under clauses (1) to (3) may be used by political subdivisions to match federal-aid grants for construction and reconstruction of key bridges under their jurisdictions."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 58, A bill for an act relating to family law; permitting child support obligors to withdraw from the automatic withholding program; amending Minnesota Statutes 1988, section 518.613, subdivision 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 518.613, subdivision 4, is amended to read:

Subd. 4. [APPLICATION.] On and after August 1, 1987, and prior to August 1, 1989, this section applies in a county selected under Laws 1987, chapter 403, article 3, section 93 and in a county that chooses to have this section apply by resolution of a majority vote of its county board.

This section does not apply to parties to a support or maintenance order if the court finds that there is no arrearage in child support or maintenance as of the date of the hearing, and:

(1) one of the parties demonstrates, and the court finds, that there is good cause

(i) not to enter an order under this section, or

(ii) to terminate an order previously entered under this section; or

(2) all parties reach a written agreement that provides for an alternative payment arrangement, and the agreement is approved by the court.

If parties are exempt from an order under this section:

(1) in all cases where the requirements of section 518.611 are met, withholding must be carried out pursuant to that section; or

(2) the obligee may at any time and without cause request the court to issue an order under this section; or

(3) the obligor may at any time request the public authority to

begin withholding pursuant to this section, by serving the public authority such a request, a copy of the order for child support or maintenance, and an application fee not to exceed \$5. Upon receipt of the request, the public authority shall serve a copy of the court's order and the provisions of section 518.611 and this section on the obligor's employer or other payor of funds. The public authority shall notify the court that withholding has begun at the request of the obligor pursuant to this clause.

For purposes of this section, "parties" includes the public authority in cases when it is a party pursuant to section 518.551, subdivision 9.

Sec. 2. [EFFECTIVE DATE; APPLICATION.]

Section 1 is effective the day following final enactment and applies to support and maintenance orders entered or modified before, on, or after the effective date."

Amend the title as follows:

Page 1, line 4, after the semicolon insert "eliminating the provision for expiration of the automatic withholding program;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 96, A bill for an act relating to highways; providing for the apportionment of five percent of the net highway users tax distribution fund; providing for the distribution of the county turnback account; amending Minnesota Statutes 1988, sections 161.081; 161.082, subdivision 2a; and 162.081, subdivision 1.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 112, A bill for an act relating to towns; authorizing town boards to provide for the collection of unpaid service charges; proposing coding for new law in Minnesota Statutes, chapter 366.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 150, A bill for an act relating to health care; providing a program of affordable health care coverage for Minnesota residents; creating a health care access commission to implement and administer the program; establishing eligibility requirements and funding sources; modifying income eligibility requirements for medical assistance; imposing penalties; appropriating money; amending Minnesota Statutes 1988, section 256B.056, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 290; proposing coding for new law as Minnesota Statutes, chapter 62J.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

#### "ARTICLE 1

##### Section 1. [62J.01] [FINDINGS.]

The legislature finds that substantial numbers of Minnesotans have no health care coverage and that most of these residents are wage earners or their dependents. One-third of these individuals are children.

The legislature further finds that when these individuals enter the health care system they have often foregone preventive care and are in need of more expensive treatment that often exceeds their financial resources. Much of the cost for these uncompensated services to the uninsured are already in the health care system in the form of increased insurance and provider rates and property and income taxes.

The legislature further finds that these costs, spread among the already insured, represent a woefully inefficient method for providing basic preventive and acute care for the uninsured and represent an added cost to employers now providing health insurance to their employees.

The legislature further finds that it is essential for the state to initiate and participate in a system to ensure basic and affordable

health care to all Minnesotans while addressing the economic pressures on the health care system as a whole in Minnesota.

Sec. 2. [62J.02] [HEALTH CARE ACCESS COMMISSION.]

Subdivision 1. [MEMBERSHIP; COMPENSATION; CHAIR.] The Minnesota health care access commission consists of 11 members. Seven members, three of whom are experienced health care professionals, shall be appointed by the governor. The commissioners of health, human services, employee relations, and commerce, or their designated representatives are also members. The governor shall appoint the chair of the commission after considering the commission's recommendation.

The terms, compensation, and removal of the members appointed by the governor are as provided in section 15.0575.

Subd. 2. [STAFF.] The commission shall select a director to serve at its pleasure as the chief administrative officer of the commission. The director may hire advisors, consultants, and employees, as authorized by the commission, and prescribe their duties. Employees are not state employees, but are covered by section 3.736. At the option of the commission, the employees may participate in the following plans for employees in the unclassified service: the state retirement plan, the state deferred compensation plan, and the health insurance and life insurance plans.

Subd. 3. [GENERAL DUTIES.] The commission shall:

(1) implement and administer the health care access program created in sections 1 to 11;

(2) administer the health care access account created in section 11;

(3) subject to chapter 14, adopt, amend, and repeal rules, including emergency rules, necessary to implement and administer sections 1 to 11;

(4) conduct necessary investigations and inquiries and compel the submission of information, documents, and records it considers necessary to carry out its duties;

(5) report annually to the legislature and the governor on its activities and on recommended insurance and health care law changes to improve access to health care for residents of this state;

(6) employ and supervise staff;

(7) make every effort to ensure representation in service delivery by eligible practitioners, without regard to race, color, or sex; and

(8) conduct other activities it considers necessary to carry out the intent of the legislature as expressed in sections 1 to 11.

Sec. 3. [62J.03] [CONTRACTING AUTHORITY.]

Subdivision 1. [GENERAL.] The commission may request bids from, and negotiate and contract with, carriers the commission determines are best qualified to underwrite and service health care plans that meet the requirements of section 4. The commission may also contract directly with health care providers. The commission may establish any conversion and continuation privileges for those plans it considers appropriate. The commission may negotiate premium rates and coverage provisions with all carriers regulated under chapters 62A, 62C, and 62D. The commission may negotiate separate contracts to cover eligible persons who are in need of, and receive, immediate medical treatment but who have not as yet selected a health care plan. The commission shall also negotiate reasonable cost containment measures to be applied to all carriers under chapters 62A, 62C, and 62D. Contracts to manage enrollment and plan selection must be bid or negotiated separately from contracts to service the plans, which shall be awarded only on the basis of competitive bids. The commission shall consider the cost of the plans, conversion options relating to the contracts, service capabilities, character, financial position, and reputation of the carriers and other factors the commission considers appropriate including, but not limited to, plan utilization review provisions, case management provisions, and preauthorization requirements. Each contract must be for a uniform term of at least one year but may be made automatically renewable from term to term in the absence of notice of termination by either party. The commission shall, to the extent feasible, offer a choice of plans available from two or more carriers regulated under chapters 62A, 62C, and 62D. The commission may offer only one plan in an area of the state if only one acceptable bid exists or if offering more than one would result in substantial, additional administrative costs. Payments from the commission to a carrier are exempt from the tax imposed by section 60A.15 and are not included in the carrier's premiums for the purposes of assessments under 62E.11.

Subd. 2. [COMMUNITY CLINICS.] The commission, or an entity selected by the commission to administer health care plans on its behalf, shall to the extent appropriate contract with community clinics.

For purposes of this subdivision, "community clinics" means an entity that:

(1) through its staff and supporting resources or through its

contracts or cooperative arrangements with other public or private entities, provides primary health services for all intended residents of its service area;

(2) was established to serve the primary health needs of low-income population groups;

(3) uses a sliding fee scale based on ability to pay, and does not limit access or care because of the financial limitations of the client;

(4) has nonprofit status under chapter 317; and

(5) has a governing board, for which at least 51 percent of the membership resides in and represents the local community served by the clinic.

Subd. 3. [EXPERIMENTAL DELIVERY METHOD.] The commission may petition the commissioner of commerce for a waiver to allow the use of alternative means of health care delivery. The commissioner may approve the use of alternative means the commissioner considers appropriate. The commissioner may waive any of the requirements of chapters 60A, 62A, 62C, 62D, and 62E in granting the waiver.

Subd. 4. [CONTRACT TO CONTAIN STATEMENT OF BENEFITS.] A contract under this section must contain a detailed statement of benefits offered and must include any maximums, limitations, exclusions, and other provisions the commission considers necessary or desirable.

A contract providing only the coverage specified in section 4, subdivision 2, shall not contain a provision denying coverage for any preexisting conditions.

Subd. 5. [ACTUARIAL DATA.] The commission shall estimate, on an actuarially sound basis, the expected cost of providing coverage under the health care access program, expressed in terms of upper and lower limits and recognizing variations in the cost of providing coverage through various systems and in different areas in the state. The commission shall make this actuarial data available to potential carriers under the health care access program.

Sec. 4. [62J.04] [BENEFITS.]

Subdivision 1. [AVAILABILITY.] The commission shall make available to all residents of this state health care plans meeting the requirements of subdivisions 2 and 3.

Subd. 2. [MINIMUM CORE COVERAGE.] The commission shall

make available a health care plan that provides the following benefits:

(a) Covered expenses include only the following services and articles:

(1) hospital services for not more than 30 days;

(2) professional services for the diagnosis or treatment of injuries, illnesses, or conditions, other than dental, which are rendered by a physician or at a physician's direction;

(3) preventive health services, including screenings, immunizations, and yearly disease detection;

(4) diagnostic x-rays and laboratory tests;

(5) prostheses, not including eye glasses and hearing aids;

(6) prenatal and well child care;

(7) transportation provided by a licensed ambulance service to the nearest facility qualified to treat the condition; and

(8) drugs requiring a physician's prescription, but not to exceed \$500 in any year.

(b) Covered expenses for the services and articles specified in this subdivision do not include the following:

(1) any charge for care for injury or disease either (i) arising out of an injury in the course of employment and subject to a workers' compensation or similar law, (ii) for which benefits are payable without regard to fault under coverage statutorily required to be contained in any motor vehicle, or other liability insurance policy or equivalent self-insurance, or (iii) for which benefits are payable under another policy of accident and health insurance, Medicare or any other governmental program except as otherwise provided by section 62A.04, subdivision 3, clause (4);

(2) any charge for treatment for cosmetic purposes other than for reconstructive surgery when the service is incidental to or follows surgery resulting from injury, sickness, or other diseases of the involved part or when the service is performed on a covered dependent child because of congenital disease or anomaly which has resulted in a functional defect as determined by the attending physician;

(3) care which is primarily for custodial or domiciliary purposes which would not qualify as eligible services under Medicare;

(4) any charge for confinement in a private room to the extent it is in excess of the institution's charge for its most common semiprivate room, unless a private room is prescribed as medically necessary by a physician, provided, however, that if the institution does not have semiprivate rooms, its most common semiprivate room charge is considered to be 90 percent of its lowest private room charge;

(5) that part of any charge for services or articles rendered or prescribed by a physician, dentist, or other health care personnel which exceeds the prevailing charge in the locality where the service is provided; and

(6) any charge for services or articles that are not within the scope of authorized practice of the institution or individual providing the services or articles.

(c) The commission shall establish copayment requirements and a dollar limitation per person on the total annual out-of-pocket expenses for covered services. Copayments shall be imposed for prescription drug benefits at a level of \$5 per prescription. Copayments shall be imposed for routine office visits at a level of \$5 per visit. Copayments shall be imposed for ambulance transportation covered under this subdivision at a level of \$25 per use of those services, if there is no admittance to a hospital within 24 hours after the services. Copayments shall be imposed for emergency room services at a level of \$25 per visit if there is no admittance to a hospital within 24 hours after the visit. No copayments shall be imposed on preventive health services covered under this subdivision.

(d) Coverage under a minimum core coverage plan is subject to a maximum lifetime benefit of \$50,000 per individual.

Subd. 3. [OPTIONAL COVERAGES.] The commission shall make available a number one qualified plan, a number two qualified plan, a number three qualified plan, and a qualified medicare supplement plan under chapter 62E and other optional coverages provided by carriers selected by the commission. Eligible persons may elect to purchase optional coverages.

Sec. 5. [62J.05] [MANDATORY HEALTH INSURANCE; PARTICIPATION IN HEALTH CARE ACCESS PROGRAM.]

(a) By July 1, 1990, every resident of the state is required to have coverage under a health care plan that provides benefits at least equivalent to the minimum core coverage in section 4, subdivision 2.

For purposes of this paragraph, health coverage under Medicare; medical assistance; general assistance medical care; or a plan of

coverage as defined by section 62E.02, subdivision 9, that meets the requirements of a qualified plan under chapter 62E is considered at least equivalent to the minimum core coverage in section 4, subdivision 2.

(b) A person must participate in and obtain coverage through the health care access program if (1) the person meets the eligibility requirements in section 6, subdivision 1; and (2) the health care access account under section 11 has sufficient funds to allow payment of the commission's share of the premium.

For purposes of sections 1 to 11, "resident" means a person who is presently living in Minnesota in the person's principal and permanent home.

Sec. 6. [62J.06] [ELIGIBILITY TO PARTICIPATE IN HEALTH CARE ACCESS PROGRAM.]

Subdivision 1. [RESIDENTS WITH NO COVERAGE OR INADEQUATE COVERAGE.] (a) A Minnesota resident is eligible to participate in the health care access program if the resident:

(1) does not have coverage available under:

(i) a policy, plan, or contract of health or accident insurance regulated under chapter 62A, 62C, 62D, 62H, or 64B; or

(ii) Medicare, medical assistance, general assistance medical care, an employment-based insurance program, or other subsidized health insurance program; or

(2) has coverage under a health care plan that does not meet the level of minimum core benefits in section 4, subdivision 2; or

(3) does not have coverage available under an employment-based group insurance program, and for whom all income received is self-employment income, as defined in section 13, subdivision 1, paragraph (c); or

(4) has coverage from the comprehensive health insurance plan under chapter 62E.

Subd. 2. [EMPLOYER PARTICIPATION.] The following employers are eligible to participate in the health care access program:

(1) an employer who does not provide or make available a health care plan to employees; or

(2) an employer who provides or makes available to employees a health care plan, including plans under section 62E.03. However, if the employer chooses to participate in the health care access program, the employer must obtain and provide employees with at least the level of coverage required under section 62E.03.

**Sec. 7. [62J.07] [UNINSURED PERSONS REQUIRED TO PARTICIPATE; RECOVERY OF PAYMENTS BY COMMISSION.]**

A person who has no coverage under a health care plan who seeks medical care from a health care provider is enrolled in the health care access program from the time the person first seeks treatment. The commission may recover from the person the costs of the treatment if the person is financially able to pay for the costs. The commission may also recover the annual premium amount the person would owe for coverage under the health care access program.

**Sec. 8. [62J.08] [PREMIUMS.]**

Subdivision 1. [PREMIUMS PAID BY PARTICIPANT; SUBSIDIZED BY FUND.] An enrollee in the health care access program shall pay the first installment of the premium for coverage upon the effective date of the coverage. The premium payment must be deposited in the account in section 11. The enrollee's share of the premium for minimum core coverage under section 4, subdivision 2, is determined by the income-based sliding fee schedule in subdivision 2. The remainder of the premium for this coverage is paid by the health care access account established in section 11. An enrollee who chooses optional coverage under section 4, subdivision 3, must pay the entire premium for the optional coverage and minimum core coverage.

Subd. 2. [SLIDING FEE SCHEDULE FOR PREMIUMS.] A participant's share of premium for minimum core coverage is based on the participant's net disposable income, according to the schedule in this subdivision. A participant with a net disposable income listed in column A must pay the corresponding percent of the premium in column B, up to an annual premium amount in column C. In addition, the participant must pay a percent, as listed in column D, of any remaining premium above the annual premium amount in column C. The remainder of the enrollee's premium is paid for by the health care access account established in section 11.

SLIDING FEE SCHEDULE FOR DETERMINING  
INSURANCE PREMIUM SUBSIDIES

<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>
<u>Net Disposable Income</u>	<u>Participant's Percent of Premium</u>	<u>Annual Premium Amount</u>	<u>Participant's Percent of Remaining Premium</u>
Less than 0	0	-0-	0
\$ 0-999	5	\$ 500	0
1,000-2,499	5	\$1,000	0
2,500-4,999	10	\$1,000	5
5,000-7,499	20	\$1,000	5
7,500-9,999	30	\$1,000	10
10,000-12,499	40	\$1,000	10
12,500-14,999	50	\$1,000	20
15,000-19,999	60	\$1,000	30
20,000-24,999	70	\$1,000	40
25,000-29,999	80	\$1,250	50
30,000-39,999	100	\$1,250	75
40,000+	100	No Limit	-0-

"Net Disposable Income" means total gross income, as defined by the commission in rule, minus \$5,750 for the head of household or single individual and minus \$1,900 for each dependent. These deductions from gross income shall be adjusted upward, if appropriate, every two years to reflect inflation. The commission shall publish notice of these adjustments in the State Register. Gross income does not include the ordinary and necessary expenses paid or incurred in carrying on a trade or business as defined under section 162 of the Internal Revenue Code of 1986, as amended through December 31, 1988.

Sec. 9. [62J.09] [ENROLLMENT AND PREMIUM PAYMENTS.]

The time, manner, conditions, and terms of eligibility and payment of premiums for enrollment of eligible persons for coverage under section 6 shall be determined by the commission in rule.

The rules shall: (1) include a procedure for referring persons eligible for coverage under the comprehensive health insurance plan to that plan if the commission considers it appropriate; and

(2) establish procedures for the subsequent enrollment of eligible persons who are denied enrollment in the program because there are insufficient funds in the account to allow payment of the commission's share of the premium.

(3) provide for the withholding by employers of premiums payable

under section 8 from the wages of employees. The commission may provide for payment by employers of the premiums withheld from wages to the commission or directly to providers for insurance or services under sections 1 to 11.

Sec. 10. [62J.10] [PROGRAM INFORMATION AND ENROLLMENT.]

Subdivision 1. [SOLICITATION OF ELIGIBLE PERSONS.] The commission shall disseminate appropriate information to the residents of this state about the existence of the program and the means of enrollment. Means of communication must include use of the press, radio, and television, as well as publication in appropriate state offices and publications.

The commission shall devise and implement methods to maintain public awareness of the provisions of sections 1 to 11 and shall administer sections 1 to 11 in a manner that facilitates public participation.

Subd. 2. [HEALTH INSURANCE INFORMATION; PENALTY.] A resident of the state shall furnish to the health care access commission the information required by the commission to determine the health care coverage of the person and the person's dependents. The commission may require proof of coverage. An employer shall distribute evidence of insurance forms to all employees. A person required to give information to the commission under this subdivision who willfully fails to supply information or willfully supplies false or fraudulent information is guilty of a gross misdemeanor.

Subd. 3. [HEALTH CARE APPLICATIONS.] The health care access commission shall prepare and distribute information and evidence of insurance and application forms for health insurance under sections 1 to 11. The applications and other information must be made available to employers, health care provider offices and facilities, local human services agencies, public and community health offices and clinics, school clinics, county extension offices, and women, infants, and children (WIC) program sites. Employers must furnish applications and information to employees.

Sec. 11. [62J.11] [HEALTH CARE ACCESS ACCOUNT.]

Subdivision 1. [CREATION.] An account is established in the state treasury to be known as the health care access account. There is annually appropriated from the account to the commission the amount needed to pay for implementing and administering the health care access program established under sections 1 to 11, including payment of approved claims, refunds, administrative costs, and other related service charges. In no event may this appropriation exceed \$150,000,000 in the biennium ending June 30, 1991, or \$150,000,000 in any subsequent fiscal year.

Nothing in sections 1 to 11 obligates the commission to pay its share of the premium cost of an otherwise eligible person if the appropriation in this subdivision is insufficient to allow payment of the commission's share of the premium.

Subd. 2. [FUNDING.] The account is funded with revenue from the sources specified in subdivision 5 and sections 8, 12; subdivision 10; and 13, subdivision 7.

Subd. 3. [INVESTMENT OF ACCOUNT ASSETS.] Except as otherwise provided in subdivision 6, when there are funds in the account in excess of the amount the commission determines is currently needed, the commission shall direct the state treasurer to certify this amount to the state board of investment for investment subject to section 11A.24. Investment income and losses attributable to the account must be credited to the account.

Subd. 4. [ALLOCATION.] The commission shall allocate the appropriation to ensure that eligible persons of every income level for which there is a premium subsidy are enrolled and the appropriation is not used to disproportionately subsidize any particular income group.

Subd. 5. [ASSESSMENT ON EMPLOYERS THAT DISCONTINUE COVERAGE.] An employer that discontinues all plans of health coverage provided or made available to employees employed in this state and does not provide substantially similar coverage to replace it shall pay a special assessment to the account.

The special assessment consists of an amount equal to two times the total annual premium or financing obligation of that employer for the previous calendar year.

One-half of the assessment must be paid to the account by January 1 of the year following the discontinuance, and one-half of the assessment must be paid to the account by January 1 of the next year.

The commission has all the powers under chapter 290 to impose and collect the assessment under this subdivision.

The commissioner of revenue shall provide the commission with information necessary to allow the commission to administer and enforce this subdivision.

Subd. 6. [SURPLUS.] Surplus remaining in the fund at the end of a fiscal year may be used by the commission, in its discretion, to increase the premium subsidies for those participants whose net disposable income is less than \$20,000.

## Sec. 12. [290.924] [HEALTH CARE ACCESS; PAYROLL TAX.]

Subdivision 1. [DEFINITIONS.] (a) For purposes of this section, the terms in paragraphs (b) to (g) have the meanings given them.

(b) "Commissioner" means the commissioner of revenue.

(c) "Employee" has the meaning given it in section 290.92, subdivision 1, clause (3). The provisions of section 290.92, subdivision 4a, clause (2), apply in determining who is an employee for purposes of this section.

(d) "Employer" has the meaning given it in section 290.92, subdivision 1, clause (4). The provisions of section 290.92, subdivision 4a, clause (2), apply in determining who is an employer for purposes of this section.

(e) "Payroll period" has the meaning given it in section 290.92, subdivision 1, clause (2).

(f) "Taxable wages" means wages paid to an employee exceeding \$10,000 in a calendar year.

(g) "Wages" has the meaning given it in section 290.92, subdivision 1, clause (1). The provisions of section 290.92, subdivision 2a, clauses (6), (9), and (10), subdivision 4, and subdivision 4a, clauses (1) and (2), apply in determining wages for purposes of this section.

Subd. 2. [TAX IMPOSED; EMPLOYERS.] (a) A tax is imposed on an employer paying wages to employees during a payroll period. The amount of tax is equal to five-tenths percent of wages paid to employees less the credit allowed in paragraph (b).

(b) A credit against the tax imposed in paragraph (a) is allowed to an employer offering a health care plan of coverage as defined in section 62E.02, subdivision 9, that meets the requirements of a qualified plan under chapter 62E and who pays at least 50 percent of the premium costs or other financing costs for that coverage for employees and their dependents. The credit is equal to the lesser of (1) the amount of tax imposed under this subdivision, or (2) 100 percent of premium or other financing costs paid by the employer if that amount is at least 75 percent of the premium costs or other financing costs for coverage of the employees and their dependents. If the amount paid by the employer is less than 75 percent of the premium or other costs, the percentage of the premium or other costs paid by the employer allowed as a credit under this clause must be proportionately reduced so that an employer paying 50 percent of the premium or other financing costs of coverage for employees and their dependents is allowed only 50 percent of the costs paid by the employer as a credit. If the employer pays less than

50 percent of the premium or other financing costs, no credit is allowed.

The credit may be applied only against the tax imposed with respect to employees for whom the employer pays the applicable percentage of premium or other financing costs of insurance coverage for the employees and their dependents. A credit may be carried forward to later reporting periods in the calendar year but may not be carried forward to a succeeding calendar year.

(c) The United States and its agencies and instrumentalities are exempt from the tax imposed in this subdivision.

Subd. 3. [TAX IMPOSED; EMPLOYEES.] A tax is imposed on an employee paid wages by an employer during a payroll period. The amount of tax is equal to three-tenths percent of taxable wages paid to the employee.

Subd. 4. [PAYMENT; WITHHOLDING.] The tax imposed in subdivision 2 must be reported and paid by an employer to the commissioner of revenue at the times and in the manner that the tax imposed in section 290.92 is paid.

The tax imposed in subdivision 3 must be deducted and withheld from the wages of each employee each payroll period and reported and paid to the commissioner in the same manner and at the same time as the tax imposed in section 290.92 is withheld and paid. An employee is not liable for the tax imposed in subdivision 3 if the employer fails to deduct and withhold it. The employer is liable for payment of the tax required to be deducted and paid under subdivision 3, and is not liable to a person for the amount of the payment.

Subd. 5. [RETURNS.] The commissioner shall prepare return forms and instructions for reporting and withholding and paying the taxes imposed in this section. The commissioner may prepare tables for use by employers in reporting and withholding and paying the taxes. The tables may require that the amount of tax imposed on taxable wages be prorated over the calendar year. The commissioner may determine whether employers must use the withholding tables and may give employers permission to withhold and pay the tax by another method determined satisfactory by the commissioner. The returns and instructions are not rules for purposes of chapter 14.

The return must be in the form and contain the information required by the commissioner. Failure to provide the information shall render the return unprocessable. A return is not treated as filed until it is in a processible form.

The commissioner may extend the period of time for filing the return for up to 60 days. A return that is required to be filed with the

commissioner under this section shall contain a written declaration that it is correct and complete. It must contain in language prescribed by the commissioner a confession of judgment for the tax shown due on it to the extent it is not timely paid.

Subd. 6. [REFUNDS.] If the taxes paid or withheld and paid under subdivision 4 exceed by more than \$1 the taxes imposed in subdivision 2 or 3, the excess must be refunded by the commissioner to the extent provided in this subdivision. The commissioner shall provide by rule for refund to the persons who paid the tax. Refund of an overpayment may be made to an employer only to the extent that the overpayment was not deducted and withheld from the wages of an employee. When the amount of the refund exceeds \$10, it must be returned with interest at the rate given in section 270.76 computed from 90 days after the date the return was due.

Subd. 7. [PENALTIES; INTEREST.] To the extent applicable to the taxes imposed in this section, all civil and criminal penalties and the imposition of interest relating to withholding, reporting, deposit, and payment of taxes under section 290.92 are imposed on and apply to persons having a duty to withhold, report, deposit, and pay the taxes imposed in this section.

Subd. 8. [POWERS OF THE COMMISSIONER.] The taxes imposed in this section shall be assessed by the commissioner in the manner provided in section 290.92. The time limits for assessment and collection in section 290.92 apply. The commissioner has the powers given in this chapter to administer, assess, collect, and enforce the taxes imposed in this section.

Subd. 9. [RULES.] The commissioner of revenue may adopt rules under chapter 14 to administer and enforce reporting, payment, and collection of taxes imposed under this section.

Subd. 10. [DEPOSIT OF FUNDS.] The taxes paid or withheld and paid to the commissioner together with penalties and interest shall be deposited in the general fund and credited to the health care access account created in section 11. Refunds of the taxes imposed in this section and the administrative expenses of the commissioner must be paid from that account. There is annually appropriated to the commissioner from the health care access account the amounts required to pay the refunds authorized in this section.

Sec. 13. [290.925] [HEALTH CARE ACCESS; EARNED INCOME TAX.]

Subdivision 1. [DEFINITIONS.] (a) For purposes of this section the terms in paragraphs (b) to (d) have the meanings given them:

(b) "Commissioner" means the commissioner of revenue.

(c) "Self-employment income" means self-employment income as defined in section 1402(b) of the Internal Revenue Code of 1986, as amended through December 31, 1988, derived by a resident individual either within or without, or both within and without, the state and by a nonresident individual within the state to the extent the income does not constitute "wages" for purposes of section 12. "Self-employment income" is determined without regard to the benefit and contribution base amount and minimum earnings in section 1402(b)(1) and (2) of the Internal Revenue Code.

(d) "Taxable self-employment income" means self-employment income of an individual exceeding \$10,000 in a taxable year.

Subd. 2. [TAX IMPOSED.] A tax is imposed on the self-employment income of an individual. The amount of the tax is equal to three-tenths percent of taxable self-employment income for the taxable year.

Subd. 3. [RETURNS; PAYMENT.] The tax shall be reported and paid to the commissioner in the same manner and at the same times as the tax imposed in section 290.03 is reported and paid. The provisions of section 290.93 apply to the tax imposed in this section.

Subd. 4. [PENALTIES; INTEREST.] To the extent applicable to the taxes imposed in this section, all civil and criminal penalties and the imposition of interest relating to the reporting and payment of taxes under section 290.03 apply to the tax imposed in this section.

Subd. 5. [REFUNDS.] Overpayments of the tax imposed in this section must be refunded or credited as provided in sections 290.50 and 290.93.

Subd. 6. [POWERS OF THE COMMISSIONER.] The commissioner has the powers given in this chapter to administer, assess, collect, and enforce the tax imposed in this section.

Subd. 7. [DEPOSIT OF FUNDS.] The taxes paid to the commissioner under this section together with penalties and interest must be deposited in the general fund and credited to the health care access account created in section 11. Refunds of the tax imposed in this section and the administrative expenses of the commissioner must be paid from that account. There is annually appropriated to the commissioner from the health care access account the amounts required to pay the refunds of tax imposed in this section.

#### Sec. 14. [UNCOMPENSATED CARE STUDY.]

The commission shall study the problem of uncompensated health care in the state and report to the legislature and the governor. The report shall include definitions of the terms "uncompensated care",

“un-sponsored care”, and “bad debt”, as they relate to the providing of health care in this state. The commission shall collect data necessary to determine the nature and extent of the problem. The report must include recommendations for more equitably distributing the burden of uncompensated health care in this state.

Sec. 15. [APPROPRIATION.]

§ . . . . is appropriated from the general fund to the health care access commission to pay for the administrative and operating expenses of the commission.

The appropriation is available until June 30, 1990, at which time the commission shall repay this amount to the general fund from the account created in section 11.

Sec. 16. [EFFECTIVE DATES.]

(a) Sections 1 to 4 and 8 to 11, 14, and 15 are effective July 1, 1989.

(b) Sections 12 and 13 are effective January 1, 1990.

(c) Sections 5 to 7 are effective July 1, 1990.

ARTICLE 2

Section 1. Minnesota Statutes 1988, section 256B.056, subdivision 4, is amended to read:

Subd. 4. [INCOME.] To be eligible for medical assistance, a person must not have, or anticipate receiving, semiannual income in excess of ~~115~~ 133 $\frac{1}{3}$  percent of the income standards by family size used in the aid to families with dependent children program, ~~except that families and children may have an income up to 133 $\frac{1}{3}$  percent of the AFDC income standard.~~ Notwithstanding any laws or rules to the contrary, in computing income to determine eligibility of persons who are not residents of long-term care facilities, the commissioner shall disregard increases in income as required by Public Law Numbers 94-566, section 503; 99-272; and 99-509.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment.”

Delete the title and insert:

“A bill for an act relating to health care; providing a program of affordable health care coverage for Minnesota residents; creating a health care access commission to implement and administer the

program; establishing eligibility requirements and funding sources; modifying income eligibility requirements for medical assistance; imposing penalties; appropriating money; amending Minnesota Statutes 1988, section 256B.056, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 290; proposing coding for new law as Minnesota Statutes, chapter 62J."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Insurance.

The report was adopted.

Begin from the Committee on Labor-Management Relations to which was referred:

H. F. No. 300, A bill for an act relating to occupational safety and health; increasing certain penalties; proposing changes to the employee right-to-know act of 1984; amending Minnesota Statutes 1988, sections 182.651, subdivisions 7, 14, 15, and by adding a subdivision; 182.653, subdivisions 4b, 4c, and 4f; and 182.669, subdivision 1.

Reported the same back with the following amendments:

Page 7, strike lines 31 to 36

Page 8, line 35, delete "equal" and insert "up"

Page 9, after line 12, insert:

"Sec. 9. [TRANSITION TRAINING PERIOD.]

This section applies to employees who are subject to the training requirements of section 182.653, subdivision 4f, because of the amendment in section 7. Employees who have been routinely exposed to an infectious agent prior to August 1, 1989, and who continue to be exposed after August 1, 1989, must be trained with respect to that infectious agent by no later than February 1, 1990.

Sec. 10. [REPEALER.]

Minnesota Statutes 1988, section 182.651, subdivision 16, is repealed."

Amend the title as follows:

Page 1, line 7, before the period insert "; repealing Minnesota Statutes 1988, section 182.651, subdivision 16"

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. 341, A bill for an act relating to public safety; proposing the emergency planning and community right-to-know act; requiring reports on hazardous substances and chemicals; creating an emergency response commission; providing penalties; amending Minnesota Statutes 1988, section 609.671, subdivision 1, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 299F.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [299F.84] [DEFINITIONS.]

Subdivision 1. [APPLICATION.] The definitions in this section apply to sections 1 to 14.

Subd. 2. [COMMISSION.] “Commission” means the emergency response commission established in section 3.

Subd. 3. [EMERGENCY RESPONSE ORGANIZATION.] “Emergency response organization” means a firefighting, law enforcement, emergency management, emergency medical services, health, or local environmental organization, or a hospital.

Subd. 4. [FACILITY.] “Facility” means the buildings, equipment, structures, and other stationary items that:

(1) are located on a single site or on contiguous or adjacent sites; and

(2) are owned or operated by one person, or are under the sole or common control of one person.

Subd. 5. [FEDERAL ACT.] “Federal act” means the federal Emergency Planning and Community Right To Know Act, United States Code, title 42, sections 11001 to 11046.

Sec. 2. [299F.85] [OFFICE OF EMERGENCY RESPONSE.]

The office of emergency response is established in the department of public safety, consisting of the emergency response commission and its staff, to coordinate state compliance with the federal act.

Sec. 3. [299F.86] [EMERGENCY RESPONSE COMMISSION.]

Subdivision 1. [ESTABLISHMENT.] The emergency response commission is established to comply with and administer the federal act.

Subd. 2. [AGENCY MEMBERS.] The commission consists of the commissioners of the department of public safety, the pollution control agency, the department of health, and the department of agriculture.

Subd. 3. [APPOINTED MEMBERS.] (a) The governor shall appoint 15 additional members to the commission.

(b) The 15 appointed members must include one representative each of fire chiefs, professional firefighters, volunteer firefighters, fire marshals, law enforcement personnel, emergency medical personnel, health professionals, community groups, wastewater treatment operators, labor, and local elected officials, and four representatives from business and industry, at least one of whom must represent small business.

(c) The appointed members must be appointed, serve, and be compensated in the manner provided in section 15.059.

Subd. 4. [ADVISORY COMMITTEES.] The commission may establish advisory committees to advise the commission on matters pertaining to the commission's duties.

Subd. 5. [DUTIES OF COMMISSION.] The commission shall carry out all requirements of a commission under the federal act and may adopt rules to do so. The commission shall encourage use of and shall utilize existing emergency planning systems under section 5 whenever practical.

Subd. 6. [AGREEMENTS.] The commission may cooperate and enter into necessary agreements with other state departments and agencies, political subdivisions of the state, or the federal government to perform its duties.

Subd. 7. [COOPERATION.] State departments, agencies, and political subdivisions shall cooperate with the commission and its director and shall assist in the performance of the commission's duties.

Sec. 4. [299F.87] [REGIONAL REVIEW COMMITTEES.]

Subdivision 1. [APPOINTMENT; MEMBERSHIP.] The commission shall establish emergency planning districts and appoint and supervise a regional review committee for each district. The regional review committee shall serve as the local emergency planning committee under the federal act, except where a local emergency planning committee has been established by one or more political subdivisions.

Each regional review committee must have nine members to include three representatives of facilities regulated under the federal act, three representatives of emergency response organizations, and three representatives of the public including community groups, broadcast and print media, and elected officials.

Subd. 2. [COMPENSATION.] Regional review committee members shall be compensated in the manner provided in section 15.059.

Subd. 3. [DUTIES OF REGIONAL REVIEW COMMITTEES.] Regional review committees shall:

(1) review emergency operations plans prepared by political subdivisions within their emergency planning district to determine whether they meet the requirements of section 11003(c) of the federal act;

(2) consult and coordinate with the regional program coordinators of the division of emergency management and with local and county organizations for civil defense designated under section 12.25;

(3) submit emergency plans to the commission for review and recommendations;

(4) establish procedures for receiving and processing requests from the public for information available under the federal act; and

(5) perform any other duties specified in the federal act.

Sec. 5. [299F.88] [LOCAL EMERGENCY PLANS; PREPARATION AND SUBMISSION.]

Political subdivisions should prepare emergency plans, consistent with commission guidelines, that adequately address the requirements contained in section 11003 of the federal act. Plans must be submitted to the director of the county civil defense organization, designated under section 12.25, for review.

The county civil defense organization shall coordinate the emergency planning required under section 11003 of the federal act for municipalities within the county, and shall submit the plans to the regional office of the division of emergency management. The

division of emergency management shall submit the plans to the regional review committee.

Any political subdivision or two or more political subdivisions that are contiguous may request the commission to establish a local emergency planning committee for the political subdivision or subdivisions. A local emergency planning committee established by the commission shall carry out all requirements specified under sections 11001 to 11046 of the federal act. Any political subdivision of two or more political subdivisions that are contiguous may establish, in lieu of a local emergency planning committee, a planning advisory committee to prepare an emergency plan under section 11003 of the federal act.

Sec. 6. [299F.89] [PUBLIC INFORMATION DEPOSITORY.]

Subdivision 1. [COUNTIES; LIBRARY DESIGNATION.] Each county shall designate a library in the county for maintaining updated information on the facilities subject to the federal act that are located in the county and a copy of the emergency response plan for the county.

Subd. 2. [PROVISION OF INFORMATION.] At such time that the commission develops a computerized information system, the commission shall provide updated information on a regular basis to libraries designated under subdivision 1, listing the facilities subject to this act and noting types of hazards, specific chemicals on site, and amounts of chemicals on site at each facility, and identifying the regional review committee that may be contacted for further information. The commission also shall provide to the libraries a copy of the most recently approved emergency response plan for the county and designate a contact person for public participation in emergency planning.

Sec. 7. [299F.90] [NOTIFICATION; RELEASES.]

Subdivision 1. [NOTIFICATION; EMERGENCY RESPONSE CENTER.] In addition to notification under the federal act, the owner or operator of a facility shall also immediately notify the state emergency response center of the release of a reportable quantity of the following materials:

(1) a hazardous substance on the list established under United States Code, title 42, section 9602; or

(2) an extremely hazardous substance on the list established under United States Code, title 42, section 11002.

This subdivision does not apply to any release that results in

exposure to persons solely within the site or sites on which a facility is located or to any release specifically authorized by state law.

Subd. 2. [OTHER STATE NOTIFICATION.] Emergency notification requirements under the federal act and this section are not in lieu of notification requirements under section 115.061 or 116.061, or other state law.

Sec. 8. [299F.91] [FACILITIES REQUIRED TO COMPLY.]

Subdivision 1. [GENERAL.] All facilities subject to the federal act must comply with that act and sections 1 to 14.

Subd. 2. [HAZARDOUS CHEMICAL INVENTORY REPORTING.] In addition to facilities specified in the federal act, facilities subject to the occupational health and safety provisions of sections 182.65 to 185.675 shall comply with the hazardous chemical inventory reporting of the federal act. This section is a designation of additional facilities under sections 11021 and 11022 of the federal act, and the legislative process meets the requirements for public notice and opportunity to comment.

Sec. 9. [299F.92] [RULES TO SET FEES.]

Subdivision 1. [FEES.] The commission shall adopt rules setting the following fees:

(1) a material safety data sheet fee to be paid by a facility when it submits material safety data sheets in lieu of a hazardous chemical report form as required under section 11021 of the federal act;

(2) a fee to be paid by a facility when the owner or operator submits its emergency and hazardous chemical inventory form, required under section 11022 of the federal act, for calendar year 1990 and annually thereafter; and

(3) a late fee to be paid by a facility that fails to pay a fee under clause (1) in a timely manner, not to exceed 200 percent of the original fee.

Subd. 2. [FEE STRUCTURE.] The fee established under subdivision 1 may not exceed, in the aggregate, the amount necessary to cover the costs for all data management, including administration of fees, by the commission and regional review committees. The fee structure must include sliding fees for facilities based on the volume of chemicals, the number of types of chemicals subject to reporting under the federal act, and the number of employees at each facility's site.

Sec. 10. [299F.93] [ENFORCEMENT.]

Subdivision 1. [ENFORCEMENT POWERS OF THE COMMISSION.] (a) To carry out its duties, the commission may:

- (1) enforce the federal act;
  - (2) issue, enter into, or enforce orders, schedules of compliance, and stipulation agreements;
  - (3) conduct investigations, issue notices, and hold hearings that are necessary or useful to discharge its duties;
  - (4) examine and copy any books, papers, records, memoranda, or data of a person that is related to data required to be submitted to the commission;
  - (5) enter public or private property to take an action authorized by this section including obtaining information from a person who has a duty to provide information to the commission; and
  - (6) issue subpoenas requiring the attendance and testimony of witnesses and the production of evidence relevant to matters involved in a hearing or investigation.
- (b) An employee or agent of the commission may examine witnesses and administer oaths in connection with a subpoena. Witnesses must receive the same fees and mileage as in civil actions.
- (c) The commission may delegate its authority under this subdivision to state or local governmental agencies or organizations to conduct investigations, examine and copy records, and enter property.

Subd. 2. [CIVIL ACTION; COMMISSION.] The commission may enforce the federal act through a civil action brought in federal district court under the federal act or in state district court by the attorney general on request of the commission.

Subd. 3. [CIVIL ACTION; CITIZENS.] A person may commence a civil action against an owner or operator of a facility in state district court that may be brought in federal district court under the federal act.

Subd. 4. [CIVIL ACTION; REGIONAL REVIEW AND LOCAL EMERGENCY PLANNING COMMITTEES.] A regional review committee or a local emergency planning committee may commence an action against an owner or operator of a facility in state district court for a violation of the federal act that the local emergency planning committee is authorized to commence in federal district court under the federal act.

Subd. 5. [INJUNCTIVE RELIEF.] In addition to other relief granted, the court may grant injunctive relief to restrain violations of the federal act.

Subd. 6. [CIVIL PENALTIES.] (a) A violation of the federal act is a violation of state law.

(b) An owner or operator of a facility is liable to the state for civil penalties in the same manner and amount as the owner or operator is liable to the United States under section 11045, subpart (a) and subpart (b), paragraphs (1), (2), and (3), of the federal act.

(c) The commission may enforce the penalties in state district court in the same manner as the administrator of the United States Environmental Protection Agency may enforce the civil penalties in federal district court under the federal act.

(d) For purposes of this subdivision, each day of continued violation constitutes a separate violation.

Subd. 7. [COSTS AND ATTORNEY FEES.] On the motion of a party prevailing in an action under this section, the court may award costs, disbursements, and reasonable attorney and witness fees to the prevailing party.

Subd. 8. [VENUE.] A civil action authorized by this section may be brought in the district court in Ramsey county, in the district court where the alleged violation occurred, or in the district court where the defendant is located.

#### Sec. 11. [INTERIM COMMISSION.]

Until the 15 members can be appointed under section 3, the commission established through the governor's executive order to administer the provisions of the federal act shall continue to perform the duties of the commission.

#### Sec. 12. [INTERIM FEES.]

Beginning on the effective date of this act and continuing until the effective date of rules adopted under section 9, the fee, under section 9, subdivision 1, clause (1), is \$10 per material safety data sheet but does not apply to material safety data sheets requested by the commission.

#### Sec. 13. [TOXIC CHEMICAL RELEASE REPORTING STUDY.]

The commission, in cooperation with the pollution control agency, shall conduct a study to determine the need for expanding the toxic chemical release form requirements of section 11023 of the federal

act to other facilities covered under sections 186.65 to 186.675. The commission shall report the results of the study to the house and senate committees on environment and natural resources by December 31, 1989.

Sec. 14. Minnesota Statutes 1988, section 609.671, is amended by adding a subdivision to read:

Subd. 10. [FAILURE TO REPORT A RELEASE OF A HAZARDOUS SUBSTANCE OR AN EXTREMELY HAZARDOUS SUBSTANCE.] A person in charge of a facility who knowingly fails to provide immediate notification to the state emergency response center of the release of a hazardous substance or an extremely hazardous substance required in section 7, subdivision 1, is, upon conviction, subject to a fine of up to \$25,000 or imprisonment for up to two years, or both.

For a second or subsequent conviction under this section, the violator is subject to a fine of not more than \$50,000 or imprisonment for not more than five years, or both."

Amend the title as follows:

Page 1, line 7, delete "subdivision 1, and"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 343, A bill for an act relating to collection and dissemination of data; defining certain mineral data supplied to the commissioner of natural resources as nonpublic data; proposing coding for new law in Minnesota Statutes, chapter 13.

Reported the same back with the following amendments:

Page 1, line 24, after "of" insert "the" and delete "that" and insert "where the drill core"

Page 2, delete lines 2 and 3

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 424, A bill for an act relating to commerce; unclaimed property; providing for the ownership of metal dies and molds; amending Minnesota Statutes 1988, section 345.20, subdivision 1.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 444, A bill for an act relating to data privacy; providing for access to private medical examiner data and other medical data by family members; amending Minnesota Statutes 1988, sections 13.42, subdivision 3; 13.83, subdivision 8; and 144.335, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 14, strike the semicolon and insert a colon

Page 1, line 18, after the stricken "kin" insert "if there is no surviving spouse or parents, to the"

Page 2, line 5, after "or" insert "if there is no surviving spouse, parents, children, or siblings, to the" and after "heirs" delete the comma

Page 2, line 13, after "or" insert "if there is no surviving spouse or parent, to the" and after "patient" delete the comma

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 512, A bill for an act relating to local government; authorizing towns to require a bond or other security in establishing cartways; amending Minnesota Statutes 1988, section 164.08, subdivision 2.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 578, A bill for an act relating to transportation; granting power to road authorities to mow or till rights-of-way of certain highways; amending Minnesota Statutes 1988, sections 160.232; and 160.27, subdivision 5.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Skoglund from the Committee on Insurance to which was referred:

H. F. No. 611, A bill for an act relating to insurance; regulating agent licensing; regulating Medicare supplement plans; modifying required levels of coverages; amending Minnesota Statutes 1988, sections 60A.17, subdivision 6c, and by adding a subdivision; 62A.31, subdivision 2; 62D.104; 62D.121, subdivision 3; 62D.181, subdivision 4; and 62E.14, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 62A; repealing Minnesota Statutes 1988, sections 62A.32; 62A.33; 62A.34; and 62A.35.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 60A.17, subdivision 6c, is amended to read:

Subd. 6c. [REVOCATION OR SUSPENSION OF LICENSE.] (a) The commissioner may by order suspend or revoke an insurance agent's or agency's license issued to a natural person or impose a civil penalty appropriate to the offense, not to exceed \$5,000 upon that licensee, or both, if, after notice and hearing, the commissioner finds as to that licensee any one or more of the following conditions:

- (1) any materially untrue statement in the license application;
- (2) any cause for which issuance of the license could have been

refused had it then existed and been known to the commissioner at the time of issuance;

(3) violation of, or noncompliance with, any insurance law or violation of any rule or order of the commissioner or of a commissioner of insurance of another state or jurisdiction;

(4) obtaining or attempting to obtain any license through misrepresentation or fraud;

(5) improperly withholding, misappropriating, or converting to the licensee's own use any money belonging to a policyholder, insurer, beneficiary, or other person, received by the licensee in the course of the licensee's insurance business;

(6) misrepresentation of the terms of any actual or proposed insurance contract;

(7) conviction of a felony or of a gross misdemeanor or misdemeanor involving moral turpitude;

(8) that the licensee has been found guilty of any unfair trade practice, as defined in chapters 60A to 72A, or of fraud;

(9) that in the conduct of the agent's affairs under the license, the licensee has used fraudulent, coercive, or dishonest practices, or the licensee has been shown to be incompetent, untrustworthy, or financially irresponsible;

(10) that the agent's license has been suspended or revoked in any other state, province, district, territory, or foreign country;

(11) that the licensee has forged another's name to an application for insurance; or

(12) that the licensee has violated subdivision 6b.

(b) The commissioner may by order suspend or revoke an insurance agent's or insurance agency's license issued to a partnership or corporation or impose a civil penalty not to exceed \$5,000 upon that licensee, or both, if, after notice and hearing, the commissioner finds as to that licensee, or as to any partner, director, shareholder, officer, or employee of that licensee, any one or more of the conditions set forth in paragraph (a).

(c) A revocation of a license shall prohibit the licensee from making a new application for a license for at least one year two years from the effective date of the revocation. Further, the commissioner ~~may~~ shall, as a condition of relicensure, require the applicant to file a reasonable bond for the protection of the citizens of this

state, which bond shall be maintained by the licensee in full force for a period of five years immediately following issuance of the license, unless the commissioner at the commissioner's discretion shall after two years permit the licensee to sooner terminate the maintenance filing of the bond. obtain a performance bond issued by an insurer authorized to transact business in this state in the amount of \$20,000 or a greater amount the commissioner considers appropriate for the protection of citizens of this state. The bond shall be filed with the commissioner, with the state of Minnesota as obligee, conditioned for the prompt payment to any aggrieved person entitled to payment of any amounts received by the licensee or to protect any aggrieved person from loss resulting from fraudulent, deceptive, dishonest, or other prohibited practices arising out of any transaction when the licensee was licensed or performed acts for which a license is required under this chapter. The bond shall remain operative for as long as that licensee is licensed. A discharge in bankruptcy shall not relieve a person from the penalties and disabilities provided in this section. The bond required by this subdivision must provide coverage for all matters arising during the period of licensure.

(d) The commissioner may, in the manner prescribed by chapter 14, impose a civil penalty not to exceed \$5,000 upon a person whose license has lapsed, or been suspended, revoked, or otherwise terminated, for engaging in conduct prohibited by paragraph (a) before, during, or after the period of licensure.

Sec. 2. Minnesota Statutes 1988, section 60A.17, is amended by adding a subdivision to read:

Subd. 21. [SUITABILITY OF INSURANCE.] In recommending the purchase of any life, endowment, long-term care, annuity, life-endowment, or Medicare supplement insurance to a customer, an agent must have reasonable grounds for believing that the recommendation is suitable for the customer, and must make reasonable inquiries to determine suitability. The suitability of a recommended purchase of insurance will be determined by reference to the totality of the particular customer's circumstances, including, but not limited to, the customer's income, the customer's need for insurance, and the values, benefits, and costs of the customer's existing insurance program, if any, when compared to the values, benefits, and costs of the recommended policy or policies.

Sec. 3. Minnesota Statutes 1988, section 62A.31, subdivision 1, is amended to read:

Subdivision 1. [POLICY REQUIREMENTS.] No individual or group policy, certificate, subscriber contract or other evidence of accident and health insurance issued or delivered in this state shall be sold or issued to an individual age 65 or older covered by medicare unless the following requirements are met:

(a) The policy must provide a minimum of the coverage set out in subdivision 2;

(b) The policy 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;

(c) The policy must contain a provision that the plan will not be canceled or nonrenewed on the grounds of the deterioration of health of the insured; and

(d) Before the policy is sold or issued, an offer of both categories of Medicare supplement insurance has been made to the individual, together with an explanation of both coverages; and

(e) An outline of coverage as provided in section 62A.39 must be delivered at the time of application and prior to payment of any premium.

Sec. 4. Minnesota Statutes 1988, section 62A.31, subdivision 2, is amended to read:

Subd. 2. [GENERAL COVERAGE.] For a policy to meet the requirements of this section it must contain (1) a designation specifying whether the policy is a an extended basic medicare supplement 1+, 1, 2, or 3 plan or a basic Medicare supplement plan, (2) a caption stating that the commissioner has established ~~four~~ two categories of medicare supplement insurance and minimum standards for each, with the extended basic medicare supplement 1+ being the most comprehensive and the basic medicare supplement 3 being the least comprehensive, and (3) the policy must provide the minimum coverage prescribed in sections ~~62A.32 to 62A.35~~ 62A.315 and 62A.316 for the supplement specified, provided that an annual deductible of not more than \$200 is permissible for those covered charges not paid by medicare or otherwise included in ~~paragraph (f) of sections 62A.32 and 62A.33~~ 62A.315 or 62A.316.

Sec. 5. [62A.315] [EXTENDED BASIC MEDICARE SUPPLEMENT PLAN; COVERAGE.]

The extended basic Medicare supplement plan must have a level of coverage so that it will be certified as a qualified plan pursuant to chapter 62E, and will provide:

(1) coverage for all of the Medicare part A inpatient hospital deductible amount;

(2) coverage for the daily copayment amount of Medicare part A

eligible expenses for the first eight days per calendar year incurred for skilled nursing facility care;

(3) coverage for the 20 percent copayment amount of Medicare eligible expenses excluding outpatient prescription drugs under Medicare part B regardless of hospital confinement up to the maximum out-of-pocket amount for Medicare part B and coverage of the Medicare deductible amount;

(4) 80 percent of usual and customary hospital and medical expenses, supplies, and prescription drug expenses, including home intravenous (IV) therapy drugs and immunosuppressive therapy drugs, not covered by Medicare's eligible expenses; and

(5) coverage for the reasonable cost of the first three pints of blood, or equivalent quantities of packed red blood cells as defined under federal regulations under Medicare parts A and B, unless replaced in accordance with federal regulations.

Sec. 6. [62A.316] [BASIC MEDICARE SUPPLEMENT PLAN; COVERAGE.]

(a) The basic Medicare supplement plan must have a level of coverage that, at a minimum, will provide:

(1) coverage for the daily copayment amount of Medicare part A eligible expenses for the first eight days per calendar year incurred for skilled nursing facility care;

(2) coverage for the 20 percent copayment amount of Medicare eligible expenses excluding outpatient prescription drugs under Medicare part B regardless of hospital confinement up to the maximum out-of-pocket amount for Medicare part B after the Medicare deductible amount;

(3) coverage for the reasonable cost of the first three pints of blood, or equivalent quantities of packed red blood cells as defined under federal regulations under Medicare parts A and B, unless replaced in accordance with federal regulations;

(4) coverage for the copayment amount of Medicare eligible expenses for covered home intravenous (IV) therapy drugs, as determined by the Secretary of Health and Human Services, subject to the Medicare outpatient prescription drug deductible amount, if applicable; and

(5) coverage for the copayment amount of Medicare eligible expenses for outpatient drugs used in immunosuppressive therapy subject to the Medicare outpatient prescription drug deductible, if applicable.

(b) Only the following optional benefit riders may be added to this plan:

(1) coverage for all of the Medicare part A inpatient hospital deductible amount;

(2) a minimum of 80 percent of usual and customary medical expenses and supplies not covered by Medicare part B eligible expenses. This does not include outpatient prescription drugs.

Sec. 7. Minnesota Statutes 1988, section 62A.41, is amended to read:

62A.41 [PENALTIES.]

Subdivision 1. [GENERALLY.] Any insurer, general agent, agent, or other person who knowingly or willfully, either directly or indirectly, makes or causes to be made or induces or seeks to induce the making of any false statement or representation of a material fact with respect to compliance of any policy with the standards and requirements set forth in this section; falsely assumes or pretends to be acting, or misrepresents in any way, including a violation of section 62A.37, that the person is acting, under the authority or in association with medicare, or any federal agency, for the purpose of selling or attempting to sell insurance, or in such pretended character demands, or obtains money, paper, documents, or anything of value; or knowingly sells a health insurance policy to an individual entitled to benefits under part A or part B of medicare with the knowledge that such policy substantially duplicates health benefits to which such individual is otherwise entitled under a requirement of state or federal law other than under medicare shall be guilty of a felony and subject to a civil penalty of not more than \$5,000 per violation, and the commissioner may revoke or suspend the license of any company, association, society, other insurer, or agent thereof.

Subd. 2. [SALES OF REPLACEMENT POLICIES.] An insurer or general agent, agent, manager's general agent, or other representative, who knowingly or willfully violates section 62A.40 is guilty of a felony and is subject to a civil penalty of not more than \$5,000 per violation.

Subd. 3. [SALES OF DUPLICATE POLICIES.] An agent who knowingly or willfully violates section 62A.43, subdivision 1, is guilty of a felony and is subject to a civil penalty of not more than \$5,000 per violation.

Subd. 4. [UNLICENSED SALES.] Notwithstanding section 60A.17, subdivision 1, paragraph (d), a person who acts or assumes to act as an insurance agent without a valid license for the purpose of selling or attempting to sell Medicare supplement insurance, and

the person who aids or abets the actor, is guilty of a felony and is subject to a civil penalty of not more than \$5,000 per violation.

Sec. 8. [62A.436] [COMMISSIONS.]

The commission, sales allowance, service fee, or compensation to an agent for the sale of a Medicare supplement plan must be the same for each of the first four years of the policy.

In no event may the rate of commission, sales allowance, service fee, or compensation for the sale of a basic Medicare supplement plan exceed that which applies to the sale of an extended basic Medicare supplement plan.

This section also applies to sales of replacement policies.

Sec. 9. Minnesota Statutes 1988, section 62D.104, is amended to read:

62D.104 [REQUIRED OUT-OF-AREA CONVERSION.]

Enrollees who have individual health maintenance organization contracts and who have become nonresidents of the health maintenance organization's service area but remain residents of the state of Minnesota shall be given the option, to be arranged by the health maintenance organization if an agreement with an insurer can reasonably be made, of a number three qualified plan, a number two qualified plan, or a number one qualified plan as provided by section 62E.06, subdivisions 1 to 3, or, if such enrollees are covered by title XVIII of the Social Security Act (Medicare), they shall be given the option of a Medicare supplement plan as provided by sections ~~62A.31 to 62A.35~~ chapter 62A.

This option shall be made available at the enrollee's expense, without further evidence of insurability and without interruption of coverage.

If a health maintenance organization cannot make arrangements for conversion coverage, the health maintenance organization shall notify enrollees of health plans available in other service areas.

Sec. 10. Minnesota Statutes 1988, section 62D.121, subdivision 3, is amended to read:

Subd. 3. If replacement coverage is not provided by the health maintenance organization, as explained under subdivision 2, the replacement coverage shall provide, for enrollees covered by title XVIII of the Social Security Act, coverage at least equivalent to a basic Medicare supplement ~~two~~ plan as defined in section 62A.34 62A.316, except that the replacement coverage shall also cover the

liability for any Medicare Part A and Part B deductible as defined under title XVIII of the Social Security Act. After satisfaction of the Medicare Part B deductible, the replacement coverage shall be based on 120 percent of the Medicare Part B eligible expenses less the Medicare Part B payment amount. The fee or premium of the replacement coverage shall not exceed the premium charged by the state comprehensive health plan as established under section 62E.08, for a qualified Medicare supplement plan. All enrollees not covered by Medicare shall be given the option of a number three qualified plan or a number two qualified plan as defined in section 62E.06, subdivisions 1 and 2, for replacement coverage. The fee or premium for a number three qualified plan shall not exceed 125 percent of the average of rates charged by the five insurers with the largest number of individuals in a number three qualified plan of insurance in force in Minnesota. The fee or premium for a number two qualified plan shall not exceed 125 percent of the average of rates charged by the five insurers with the largest number of individuals in a number two qualified plan of insurance in force in Minnesota.

If the replacement coverage is health maintenance organization coverage, the fee shall not exceed 125 percent of the cost of the average fee charged by health maintenance organizations for a similar health plan. The commissioner of health will determine the average cost of the plan on the basis of information provided annually by the health maintenance organizations concerning the rates charged by the health maintenance organizations for the plans offered. Fees or premiums charged under this section must be actuarially justified.

Sec. 11. Minnesota Statutes 1988, section 62D.181, subdivision 4, is amended to read:

Subd. 4. [COVERAGE.] Alternative coverage issued under this section must be at least a number two qualified plan, as described in section 62E.06, subdivision 2, or for individuals over age 65, a basic Medicare supplement 2 plan, as described in section 62A.34 62A.316.

Sec. 12. Minnesota Statutes 1988, section 62E.07, is amended to read:

#### 62E.07 [QUALIFIED MEDICARE SUPPLEMENT PLAN.]

Any plan which provides benefits to persons over the age of 65 years may be certified as a qualified medicare supplement plan if the plan is designed to supplement medicare and provides coverage of 50 100 percent of the deductible and copayment deductibles required under medicare and 80 percent of the charges for covered services described in section 62E.06, subdivision 1, which charges are not paid by medicare. The coverage shall include a limitation of \$1,000

per person on total annual out-of-pocket expenses for the covered services. The coverage may be subject to a maximum lifetime benefit of not less than \$100,000 \$500,000.

Sec. 13. Minnesota Statutes 1988, section 62E.14, subdivision 4, is amended to read:

Subd. 4. Notwithstanding the above, any Minnesota resident holder of a policy or certificate of medicare supplement coverages pursuant to sections ~~62A.32 to 62A.35~~ 62A.315 and 62A.316, or medicare supplement plans previously approved by the commissioner, may enroll in the comprehensive health insurance plan as described in section 62E.07, with a waiver of the preexisting condition as described in subdivision 3, without interruption in coverage, provided, the policy or certificate has been terminated by the insurer for reasons other than nonpayment of premium and, provided further, that the option to enroll in the plan is exercised within 30 days of termination of the existing contract.

Coverage in the state plan for purposes of this section shall be effective on the date of termination upon completion of the proper application and payment of the required premium. The application must include evidence of termination of the existing policy or certificate.

Sec. 14. [REPEALER.]

(a) Minnesota Statutes 1988, sections 62A.32; 62A.33; 62A.34; and 62A.35, are repealed.

(b) Minnesota Rules, part 2795.0900, is repealed.

Sec. 15. [APPLICATION; EFFECTIVE DATE.]

Section 7 is effective the day following final enactment and applies to claims arising from incidents occurring on or after that date.

Sections 1, 2, and 14, paragraph (b), are effective June 1, 1989. Sections 3, 4 to 6, 8 to 13, and 14, paragraph (a), are effective January 1, 1990, for policies, plans, or contracts subject to Minnesota Statutes, section 62A.31, which are issued or delivered in this state on or after that date. No policy of Medicare supplement 1+, 1, 2, or 3 may be sold or issued on or after that date. Policies, plans, and contracts in effect on or after the day following final enactment of sections 4 to 6, but before January 1, 1990, must conform with federal Medicare benefit modifications and must provide appropriate premium adjustments to policyholders.

Delete the title and insert:

"A bill for an act relating to insurance; regulating agent licensing; regulating Medicare supplement plans; modifying required levels of coverages; prescribing penalties; amending Minnesota Statutes 1988, sections 60A.17, subdivision 6c, and by adding a subdivision; 62A.31, subdivisions 1 and 2; 62A.41; 62D.104; 62D.121, subdivision 3; 62D.181, subdivision 4; 62E.07; and 62E.14, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 62A; repealing Minnesota Statutes 1988, sections 62A.32; 62A.33; 62A.34; 62A.35; and Minnesota Rules, part 2795.0900."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 620, A bill for an act relating to crimes; repealing law regulating dance halls; repealing Minnesota Statutes 1988, sections 624.42 to 624.54.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 704, A bill for an act relating to peace officers; establishing reimbursement program for purchases of soft body armor by and for peace officers; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 299A.

Reported the same back with the following amendments:

Page 1, lines 10 and 11, delete "an employee of a political subdivision" and insert "a person"

Page 1, line 11, delete "sections 626.841 to 626.86" and insert "section 626.84, subdivision 1, paragraph (c)"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 707, A bill for an act relating to horse racing; allowing a licensed racetrack to conduct pari-mutuel betting on televised races on days when races are not conducted at the licensed racetrack; allowing the licensed racetrack to commingle pari-mutuel pools with the sending racetrack; amending Minnesota Statutes 1988, sections 240.01, subdivision 10, and by adding a subdivision; 240.10; 240.13, subdivisions 1, 3, and by adding a subdivision; 240.14, by adding a subdivision; 240.16, by adding a subdivision; and 240.29.

Reported the same back with the following amendments:

Page 2, line 33, delete everything after "racetrack"

Page 3, line 5, after the period insert "A class B licensee within the seven-county metropolitan area may conduct pari-mutuel betting on a televised racing day only on televised races run by a breed which ran at the licensed racetrack within the 12 months preceding the televised racing day."

Page 3, line 15, after the period insert "Notwithstanding subdivision 4, breakage for pari-mutuel pools on a televised racing day must be calculated in accordance with the law or rules governing the sending track and must be distributed in a manner agreed to between the licensee and the sending track."

Page 3, line 22, delete "four" and insert "22"

Page 3, line 31, delete "additional"

Page 3, line 32, after "involved" insert "in addition to the amounts required to be set aside during the next racing meeting under subdivision 5"

Page 3, delete lines 33 to 36

Page 4, delete lines 1 to 6 and insert:

"The disbursement of all remaining amounts withheld from pari-mutuel pools on a televised racing day, except amounts payable as tax under section 240.15, subdivision 1, must be as agreed to between the sending track and the licensee. However, a portion of this disbursement before division between the sending track and the licensee may be used by the licensee to pay purses in excess of the amounts required under subdivision 5 during the licensee's next subsequent racing season. If the licensee so uses a portion of the remaining amounts for purse payments, the allocation must be as

agreed to between the licensee and the horseperson's organization which represented, at the licensee's racetrack during the preceding 12 months, the breed running the race on the televised racing day.

(d) In lieu of the requirements of section 240.16, all pari-mutuel betting and other activities at a licensed racetrack on a televised racing day must be presided over by a person employed and designated by the commission. The person so designated by the commission has the powers and duties with regard to such activities as provided in the rules of the commission.

Page 4, delete section 8

Page 5, line 7, delete "9" and insert "8"

Page 5, line 9, delete "10" and insert "9"

Renumber the sections in sequence

Amend the title as follows:

Page 1, lines 10 and 11, delete "240.16, by adding a subdivision,"

With the recommendation that when so amended the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 58, 112, 300, 343, 424, 444, 512, 578, 620 and 707 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 204 and 156 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Clark, Munger, Wynia and Greenfield introduced:

H. F. No. 932, A bill for an act relating to health; establishing a blood lead level screening program for children; requiring local

health boards to conduct environmental inspections; providing subsidized lead abatement services; requiring a report on soil and blood lead; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 144.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Clark, Munger and Trimble introduced:

H. F. No. 933, A bill for an act relating to the environment; prohibiting the use of food packaging that is not environmentally safe; providing penalties; proposing coding for new law as Minnesota Statutes, chapter 325H.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Steensma, Wenzel, Winter, Dille and Sparby introduced:

H. F. No. 934, A bill for an act relating to agriculture; maintaining uniformity with certain federal food law provisions; amending Minnesota Statutes 1988, sections 31.101; 31.102, subdivision 1; 31.103, subdivision 1; and 31.104.

The bill was read for the first time and referred to the Committee on Agriculture.

Lasley, Lieder, McLaughlin and Uphus introduced:

H. F. No. 935, A bill for an act relating to traffic regulations; establishing certain vehicle weight limits; amending Minnesota Statutes 1988, sections 169.825, subdivision 8; and 169.86; subdivision 5.

The bill was read for the first time and referred to the Committee on Transportation.

Lasley introduced:

H. F. No. 936, A bill for an act relating to education; authorizing a special capital loan; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

O'Connor, Heap and Janezich introduced:

H. F. No. 937, A bill for an act relating to commerce; uniform commercial code; providing a 20-day notice period for certain fixture filings; amending Minnesota Statutes 1988, section 336.9-313.

The bill was read for the first time and referred to the Committee on Commerce.

Wenzel; Nelson, K.; McEachern; Hartle and Bauerly introduced:

H. F. No. 938, A bill for an act relating to education; proposing department of education outcome-based education initiatives; appropriating money; amending Minnesota Statutes 1988, sections 120.011; and 124.19, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

Burger, Sparby, McDonald and Otis introduced:

H. F. No. 939, A bill for an act relating to taxation; property tax; adopting a two-rate tax structure; proposing coding for new law in Minnesota Statutes, chapter 273.

The bill was read for the first time and referred to the Committee on Economic Development.

Burger, Sparby, McDonald and Otis introduced:

H. F. No. 940, A bill for an act relating to taxation; property tax; allowing cities and counties to adopt a two-rate tax structure; proposing coding for new law in Minnesota Statutes, chapter 273.

The bill was read for the first time and referred to the Committee on Economic Development.

Bishop, Scheid, Long, Rest and Pauly introduced:

H. F. No. 941, A bill for an act relating to taxation; imposing conditions on memberships for golf clubs that qualify for open space tax treatment; amending Minnesota Statutes 1988, section 273.112, subdivision 3.

The bill was read for the first time and referred to the Committee on Taxes.

Skoglund, Munger, Wagenius, Battaglia and Forsythe introduced:

H. F. No. 942, A bill for an act relating to metropolitan government; extending the responsibility of the mosquito control district to disease vectoring ticks; amending Minnesota Statutes 1988, sections 473.702; 473.704; and 473.711, subdivision 2.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Orenstein; Ogren; Nelson, C.; Greenfield and Gruenes introduced:

H. F. No. 943, A bill for an act relating to health; requiring post-secondary students to submit a statement of immunization; providing exemptions; amending Minnesota Statutes 1988, sections 120.102, subdivision 1; and 123.70, subdivisions 1, 2, 4, 9, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 135A.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Girard, Steensma and Dempsey introduced:

H. F. No. 944, A bill for an act relating to human services; excluding from day care licensure programs operated by religious organizations for the primary purpose of providing religious instruction to the children of members; amending Minnesota Statutes 1988, section 245A.03, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Simoneau, Begich, Munger, Rice and Morrison introduced:

H. F. No. 945, A bill for an act relating to public employment; modifying the prohibition against bargaining certain retirement contributions; amending Minnesota Statutes 1988, sections 179A.03, subdivision 19, and by adding a subdivision; and 356.24.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Steensma; Cooper; Pugh; Johnson, V., and Anderson, G., introduced:

H. F. No. 946, A bill for an act relating to motor vehicles; providing

for special license plates for disabled persons; setting fee for duplicate personalized license plates; amending Minnesota Statutes 1988, sections 168.011, subdivision 4; 168.012, subdivisions 1 and 3a; 168.021; 168.12, subdivision 2a; 168.125, subdivision 2; 168.27, subdivision 2; 168.29; 169.01, subdivision 24a; 169.215; 169.345; and 169.346; repealing Minnesota Statutes 1988, section 168.12, subdivisions 3 and 4.

The bill was read for the first time and referred to the Committee on Transportation.

Begich; Johnson, V.; Neuenschwander; Milbert and Pugh introduced:

H. F. No. 947, A bill for an act relating to crimes; requiring mandatory minimum sentences for defendants convicted of possessing or using a firearm while committing certain controlled substance violations; amending Minnesota Statutes 1988, section 152.15, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

Onnen introduced:

H. F. No. 948, A bill for an act proposing an amendment to the Minnesota Constitution, changing article IV, sections 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 18, 19, 20, 21, 22, 23, 24, 25, and 26; article V, sections 3 and 5; article VIII, section 1; article IX, sections 1 and 2, and article XI, section 5; providing for a unicameral legislature consisting of 101 to 135 senators.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Frederick, Kelly, Rest, Carruthers and Macklin introduced:

H. F. No. 949, A bill for an act relating to traffic safety; increasing penalties for persons convicted of DWI after a previous conviction for criminal vehicular operation; amending Minnesota Statutes 1988, section 169.121, subdivision 3.

The bill was read for the first time and referred to the Committee on Judiciary.

Orenstein, Kelly, Greenfield, Vellenga and Bishop introduced:

H. F. No. 950, A bill for an act relating to human rights; clarifying the definition of disability; limiting the use of psychological tests; limiting age-related questions in employment applications; clarifying who is an aggrieved party for certain violations; placing burden on the employer to show a person's impairment is disqualifying; providing for service of subpoenas personally or by mail; allowing the commissioner discretion on access to data in closed files; eliminating the 180-day administrative hearing option; striking the requirement that a person's employees must be within Minnesota for purposes of affirmative action; clarifying the time period allowed for filing a private lawsuit; amending Minnesota Statutes 1988, sections 363.01, subdivisions 25 and 31; 363.02, subdivisions 1, 2, 2a, 2b, and 6; 363.03, subdivisions 1, 2, 3, 7, 8, and by adding subdivisions; 363.05, subdivision 2; 363.061, subdivision 3; 363.072, subdivision 1; 363.073, subdivision 1; 363.117; 363.123; and 363.14, subdivision 1; repealing Minnesota Statutes 1988, sections 363.01, subdivisions 30 and 32; and 363.071, subdivision 1a.

The bill was read for the first time and referred to the Committee on Judiciary.

Jacobs, Begich, Quinn, Abrams and Osthoff introduced:

H. F. No. 951, A bill for an act relating to utilities; providing for the establishment of competitive electric utility rates for certain customers subject to effective competition; authorizing public utilities commission to require utility to initiate rate proceeding under limited circumstances; amending Minnesota Statutes 1988, sections 216B.045, subdivision 5; and 216B.17, subdivision 6, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 216B; repealing Minnesota Statutes 1988, section 216B.17, subdivisions 2, 3, 4, and 5.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Munger, Bennett, Rukavina, Battaglia and Osthoff introduced:

H. F. No. 952, A bill for an act relating to transportation; creating legislative study commission to study and report on the AMTRAK Northstar rail line between Duluth and Minneapolis-St. Paul; appropriating money.

The bill was read for the first time and referred to the Committee on Transportation.

Hasskamp introduced:

H. F. No. 953, A bill for an act relating to transportation; deregulating persons who provide transportation service under contract to and with assistance from the department of transportation; amending Minnesota Statutes 1988, sections 221.022; 221.025; and 221.031, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

Begich introduced:

H. F. No. 954, A bill for an act relating to insurance; regulating access to certain insurance and medical data; amending Minnesota Statutes 1988, section 176.138.

The bill was read for the first time and referred to the Committee on Insurance.

Rodosovich, Otis, Boo, Sparby and Osthoff introduced:

H. F. No. 955, A bill for an act relating to financial institutions; providing standards for determining transaction account service charges; permitting state banks to establish subsidiaries under certain circumstances; authorizing the commissioner to adopt rules regarding activities of banks and bank subsidiaries; amending Minnesota Statutes 1988, sections 48.512, by adding a subdivision; and 48.61, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Carruthers, Skoglund, Wynia, Krueger and Weaver introduced:

H. F. No. 956, A bill for an act relating to insurance; clarifying the calculation of underinsured motorist benefits; amending Minnesota Statutes 1988, section 65B.49, subdivisions 3a and 4a.

The bill was read for the first time and referred to the Committee on Insurance.

Nelson, C.; Cooper; Dorn; Greenfield and Gruenes introduced:

H. F. No. 957, A bill for an act relating to human services; clarifying administrative and judicial review procedures; creating new procedures; amending Minnesota Statutes 1988, section

256.045, subdivisions 1, 3, 4, 4a, 5, 6, and 10, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Boo introduced:

H. F. No. 958, A bill for an act relating to education; waiving post-secondary tuition for eligible students; requiring reports; proposing coding for new law in Minnesota Statutes, chapter 135A.

The bill was read for the first time and referred to the Committee on Education.

Boo introduced:

H. F. No. 959, A bill for an act relating to insurance; accident and health; requiring coverage for mental or nervous disorder treatment services performed by a licensed psychologist; amending Minnesota Statutes 1988, section 62A.152, subdivisions 2 and 3.

The bill was read for the first time and referred to the Committee on Insurance.

Munger; Winter; Johnson, R.; Redalen and Johnson, V., introduced:

H. F. No. 960, A bill for an act relating to conservation; changing certain responsibilities; defining certain terms; adopting eligibility criteria; changing agreement terms and payment procedures; providing for enforcement; authorizing sale of certain bonds; appropriating money; amending Minnesota Statutes 1988, sections 40.42; 40.43; 40.44; and 40.45.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Anderson, R.; Greenfield; Ogren; Ostrom and Boo introduced:

H. F. No. 961, A bill for an act relating to human services; increasing asset and income guidelines for spouses of institutionalized medical assistance recipients; proposing coding for new law in Minnesota Statutes, chapter 256B.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Hasskamp, Kelso, Wenzel, Blatz and Tompkins introduced:

H. F. No. 962, A bill for an act relating to health; requiring the physician to make a determination of viability; prohibiting abortions except those necessary to preserve the life or health of the mother; regulating the method of abortion of the viable fetus; requiring the presence of a second physician at the abortion of a viable unborn child; regulating the standard of care for the viable unborn child; according protection of law to the child born alive as a result of abortion; providing a penalty; proposing coding for new law in Minnesota Statutes, chapter 144.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Sparby; Nelson, C.; Wenzel; Winter and Steensma introduced:

H. F. No. 963, A bill for an act relating to agriculture; adopting a state packers and stockyards act; imposing penalties; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 31B.

The bill was read for the first time and referred to the Committee on Agriculture.

O'Connor, Jacobs, Solberg, Janezich and Bennett introduced:

H. F. No. 964, A bill for an act relating to the sale of liquor; adding malt liquor sampling to current wine sampling provision; amending Minnesota Statutes 1988, section 340A.510.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Jefferson; Anderson, R.; Greenfield; Gruenes and Segal introduced:

H. F. No. 965, A bill for an act relating to human services; establishing reporting requirements; defining the functions and responsibilities of the commissioner in supervising community social services administered by the counties; requiring the commissioner of human services to ensure compliance with applicable program laws and regulations; implementing corrective action plans; providing sanctions and establishing an incentive program; amending Minnesota Statutes 1988, sections 245.482; 245.716; 245.73, subdivision 4; 252.275, subdivision 7; 256.01, subdivision 2; 256.72; 256.736, subdivision 15; 256.871, subdivision 6; 256.935, subdivision 1; 256B.05, subdivision 1; 256B.20; 256D.04; 256D.39;

256E.05, subdivision 3, and by adding subdivisions; 256E.08, subdivisions 1 and 8; 256F.06, subdivision 4; 256H.09, subdivision 1; and 257.3575, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Johnson, V., and Kalis introduced:

H. F. No. 966, A bill for an act relating to highways; removing legislative route 249 from the trunk highway system.

The bill was read for the first time and referred to the Committee on Transportation.

Beard; Begich; Sviggum; Johnson, A., and Dille introduced:

H. F. No. 967, A bill for an act relating to workers' compensation; regulating self-insurance; defining various terms; regulating certain administrative duties, powers, and procedures; regulating various benefits; amending Minnesota Statutes 1988, sections 79A.01, by adding a subdivision; 79A.04, subdivision 14; 129A.05, subdivision 2; 175.171; 176.011, subdivisions 15, 21 and 24; 176.021, subdivision 3; 176.081, subdivision 1; 176.101, subdivision 3e; 176.102, subdivisions 3, 3a, 4, and 11; 176.103, subdivision 3; 176.104, subdivision 1; 176.106, subdivisions 7, 8, and 9; 176.111, subdivisions 7 and 8; 176.131, subdivision 1; 176.135, subdivisions 1, 3, 6, 7, and by adding a subdivision; 176.136, subdivision 5; 176.155, subdivision 1; 176.181, subdivision 2; 176.191, subdivision 3; 176.221, subdivision 9; 176.225, subdivision 5; 176.231, subdivisions 8 and 9; 176.238, subdivisions 1, 6, and 9; 176.239, subdivisions 1, 2, 3, and 6; 176.291; 176.305, subdivisions 1 and 4; 176.421, subdivision 7; 176.451, subdivision 4; 176.521, subdivision 1; and 176.83, subdivision 5; proposing coding for new law in Minnesota Statutes, chapters 175 and 176; repealing Minnesota Statutes 1988, sections 176.021, subdivision 3a; 176.111, subdivision 8a; and 176.136, subdivision 3.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Vellenga, Wagenius and Otis introduced:

H. F. No. 968, A bill for an act relating to education; authorizing the issuance of state bonds; appropriating money for the desegregation capital improvement grant act; proposing coding for new law in Minnesota Statutes, chapter 129B.

The bill was read for the first time and referred to the Committee on Education.

Bishop; Olsen, S.; Orenstein and Kelly introduced:

H. F. No. 969, A bill for an act relating to nonprofit corporations; changing the procedure for proposing amendments to the bylaws; amending Minnesota Statutes 1988, section 317.15, subdivision 2.

The bill was read for the first time and referred to the Committee on Commerce.

Sarna; Beard; Begich; Johnson, A., and Redalen introduced:

H. F. No. 970, A bill for an act relating to employees; providing for a wage protection program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 181.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Johnson, V.; Carlson, D.; Tunheim; Steensma and Hugoson introduced:

H. F. No. 971, A bill for an act relating to agriculture; providing for the protection of groundwater and local water resources; appropriating money; proposing coding for new law as Minnesota Statutes, chapters 110C and 110D.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Bauerly; McEachern; Olson, K.; Brown and Seaberg introduced:

H. F. No. 972, A bill for an act relating to drivers' licenses; providing that court administrators forward driver's license or permit applications and fees to the department of public safety by the next working day; requiring commissioner of public safety to conduct background study on applicant for school bus endorsement; amending Minnesota Statutes 1988, sections 171.06, subdivision 4; and 171.321, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

Bauerly, Kalis, Lieder, Brown and Dempsey introduced:

H. F. No. 973, A bill for an act relating to traffic regulations; regulating U-turns; providing for color and equipment requirements on school buses carrying ten or more persons; requiring flashing amber light of school bus to be activated at least 300 feet before stopping to load or unload school children; providing for bumper requirements on private passenger vehicles and rear-end protection for other vehicles; amending Minnesota Statutes 1988, sections 169.19, subdivision 2; 169.44, subdivisions 1a and 2; and 169.73.

The bill was read for the first time and referred to the Committee on Transportation.

Simoneau introduced:

H. F. No. 974, A bill for an act relating to retirement; permitting repayment of refunds received from the judges' retirement fund; amending Minnesota Statutes 1988, section 490.124, subdivision 12.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Steensma, Dille and Long introduced:

H. F. No. 975, A bill for an act relating to counties; permitting county appropriations for the arts; amending Minnesota Statutes 1988, section 375.18, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Dorn, Pelowski, Gruenes, Price and Jaros introduced:

H. F. No. 976, A bill for an act relating to education; imposing requirements on certain student loan programs; appropriating money; amending Minnesota Statutes 1988, section 136A.141.

The bill was read for the first time and referred to the Committee on Education.

Pelowski, Dorn, Johnson, V.; Janezich and Kinkel introduced:

H. F. No. 977, A bill for an act relating to education; appropriating money to HECB for child care services for post-secondary students.

The bill was read for the first time and referred to the Committee on Education.

Rest introduced:

H. F. No. 978, A bill for an act relating to driving while intoxicated; making it a crime for certain repeat offenders to refuse to submit to chemical testing under the implied consent law; imposing penalties; amending Minnesota Statutes 1988, sections 169.121, subdivisions 1, 1a, 3, and 3b; and 169.123, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

Dempsey, Pappas, Vellenga and Macklin introduced:

H. F. No. 979, A bill for an act relating to marriage dissolution; regulating child custody and support; permitting agreements about maintenance; regulating the valuation of marital property; defining certain behavior as child abduction; amending Minnesota Statutes 1988, section 518.17, subdivisions 1 and 2; 518.54, subdivision 5; 518.551, subdivision 5; 518.552, by adding a subdivision; 518.58, subdivision 1; and 609.26, subdivisions 1 and 6.

The bill was read for the first time and referred to the Committee on Judiciary.

Krueger, Redalen, Bertram, Bauerly and Wenzel introduced:

H. F. No. 980, A bill for an act relating to commerce; providing a computerized system for notification of security interests in farm products; imposing a penalty; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 336A.

The bill was read for the first time and referred to the Committee on Commerce.

Rest, Pappas, Seaberg and Vellenga introduced:

H. F. No. 981, A bill for an act relating to juvenile justice; requiring reasonable efforts to prevent placement of children in need of protection or services proceedings; amending duty of juvenile court to ensure placement prevention and family reunification; defining reasonable efforts; clarifying definitions, jurisdiction, and services for Indian children; requiring preference for racial or ethnic heritage for appointment of guardian ad litem; requiring consideration of reasonable efforts in factors determining neglect; requiring

that a child be in imminent danger for detention; permitting social services to release for detention; requiring finding of reasonable efforts at detention; and imposing requirements for disposition case plans; amending Minnesota Statutes 1988, sections 260.012; 260.015, subdivisions 11, 13, 14, and by adding subdivisions; 260.111, by adding a subdivision; 260.135, subdivision 2; 260.141; 260.155, subdivisions 4 and 7; 260.165, subdivision 1; 260.171, subdivision 1; 260.172, subdivisions 1 and 4; 260.173, subdivision 2; 260.181, subdivision 2; and 260.191, subdivisions 1a and 1e.

The bill was read for the first time and referred to the Committee on Judiciary.

Kelly introduced:

H. F. No. 982, A bill for an act relating to animals; establishing a state program for spaying and neutering certain animals; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 346.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Simoneau introduced:

H. F. No. 983, A bill for an act relating to human services; transferring responsibility for the post-secondary educational institution set-aside to department of education; eliminating set-asides for AFDC priority groups and AFDC post-secondary students; requiring the commissioner to transfer funds from the AFDC set-asides to the basic sliding fee program; mandating child care funding for certain groups; including child care funds planning in the community social services planning process; appropriating money; amending Minnesota Statutes 1988, sections 256E.03, subdivision 2; 256E.09, subdivision 3; 256H.01, subdivision 4; 256H.02; 256H.03, subdivisions 1 and 2; 256H.04; 256H.07; 256H.08; 256H.09, subdivisions 1 and 3; 256H.10, subdivisions 1 and 3; 256H.11, subdivision 2; 256H.12, subdivision 1; 256H.17; and 256H.18; repealing Minnesota Statutes 1988, sections 256H.01, subdivision 14; 256H.04, subdivision 2; 256H.05; 256H.06; and 256H.13.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Olson, E.; Brown; Redalen; Cooper and Dille introduced:

H. F. No. 984, A bill for an act relating to agriculture; adopting a

state packers and stockyards act; imposing penalties; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 31B.

The bill was read for the first time and referred to the Committee on Agriculture.

O'Connor, McEachern and Beard introduced:

H. F. No. 985, A bill for an act relating to consumer protection; prohibiting vending machine sales of tobacco products; amending Minnesota Statutes 1988, section 325F.78; proposing coding for new law in Minnesota Statutes, chapter 325F; repealing Minnesota Statutes 1988, section 325E.07.

The bill was read for the first time and referred to the Committee on Commerce.

Tompkins, Ozment, Seaberg, Scheid and Milbert introduced:

H. F. No. 986, A bill for an act relating to elections; defining expenses a candidate must pay for an optional recount; amending Minnesota Statutes 1988, sections 204C.35, subdivision 2; and 204C.36.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Schreiber, Rest, Valento, Scheid and Pauly introduced:

H. F. No. 987, A bill for an act relating to taxation; changing the local effort factor for certain formulas; amending Minnesota Statutes 1988, sections 273.1398, subdivisions 1 and 3; and 477A.011, subdivision 15, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Gruenes, Peterson, Bauerly and Marsh introduced:

H. F. No. 988, A bill for an act relating to local government; changing conditions for the establishment and operation of special service districts in Sartell, Sauk Rapids, St. Cloud, Isle, Mora, Becker, and Waite Park; amending Laws 1985, chapter 301, sections 5, subdivision 5; 7, subdivision 1; 9; 12; and 13, subdivision 2; repealing Laws 1985, chapter 301, section 7, subdivision 4.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Sparby, Tunheim, Frerichs and Vanasek introduced:

H. F. No. 989, A bill for an act relating to trade practices; providing for payment to farm implement retailer by the manufacturer, wholesaler, or distributor who repurchases stock and inventory; amending Minnesota Statutes 1988, section 325E.06, subdivisions 1, 4, and 5.

The bill was read for the first time and referred to the Committee on Commerce.

Jefferson, Forsythe, O'Connor, Murphy and Simoneau introduced:

H. F. No. 990, A bill for an act relating to housing; establishing a home equity conversion loan counseling program for senior homeowners; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 462A.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Jefferson, Long, Rest, Pauly and Simoneau introduced:

H. F. No. 991, A bill for an act relating to taxation; property; extending homestead treatment to VISTA or Peace Corps volunteers; amending Minnesota Statutes 1988, section 273.124, subdivision 12.

The bill was read for the first time and referred to the Committee on Taxes.

Orenstein, Milbert, Pugh and Dempsey introduced:

H. F. No. 992, A bill for an act relating to civil actions; prohibiting collateral source reductions of awards unless they are necessary to prevent double recovery; amending Minnesota Statutes 1988, section 548.36, subdivision 3.

The bill was read for the first time and referred to the Committee on Judiciary.

Orenstein, Milbert, Pugh and Dempsey introduced:

H. F. No. 993, A bill for an act relating to civil actions; altering the application of joint and several liability in asbestos actions; amending Minnesota Statutes 1988, section 604.02, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Kelso, Milbert, Pugh, Tompkins and Macklin introduced:

H. F. No. 994, A bill for an act relating to human services; requiring a pilot project for subsidies to certain persons with case management training; appropriating money; amending Minnesota Statutes 1988, section 252.32, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Skoglund; McEachern; Nelson, K.; Wagenius and Hartle introduced:

H. F. No. 995, A bill for an act relating to education; changing school age requirements; amending Minnesota Statutes 1988, sections 120.101, subdivisions 2, 5, and by adding a subdivision; and 127.20.

The bill was read for the first time and referred to the Committee on Education.

Skoglund; McEachern; Nelson, K.; Wagenius and Hartle introduced:

H. F. No. 996, A bill for an act relating to education; allowing a school board to compel attendance of enrolled pupils under the age of seven; making conforming changes; amending Minnesota Statutes 1988, sections 120.101, subdivision 5, and by adding a subdivision; and 127.20.

The bill was read for the first time and referred to the Committee on Education.

Hugoson, Schafer and Tunheim introduced:

H. F. No. 997, A bill for an act relating to workers' compensation; changing the definition of family farm; amending Minnesota Statutes 1988, section 176.011, subdivision 11a.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Heap, Jennings, Waltman and Begich introduced:

H. F. No. 998, A bill for an act relating to crimes; authorizing imposition of the death penalty for murder in certain circumstances; providing a statutory framework, including procedures and criteria, consistent with due process for determining when the imposition of the death penalty is appropriate; requiring the court to select the mode of execution; providing for automatic appellate review of death penalty cases; providing for appointment of attorneys in death penalty cases; providing an administrative framework for implementing the death penalty; amending Minnesota Statutes 1988, sections 243.05, subdivision 1; 609.10; 609.12, subdivision 1; 609.135, subdivision 1; 609.185; 609.19; and 611.25, by adding a subdivision; proposing coding for new law as Minnesota Statutes, chapter 609A.

The bill was read for the first time and referred to the Committee on Judiciary.

Battaglia, Jacobs and Bennett introduced:

H. F. No. 999, A bill for an act relating to alcoholic beverages; authorizing Cook county to issue an off-sale liquor license.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Omann and Redalen introduced:

H. F. No. 1000, A bill for an act relating to intoxicating liquor; allowing a farm winery to sell wine off the premises of the winery; amending Minnesota Statutes 1988, section 340A:315, subdivision 2.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Beard, Milbert, Price, Pugh and Quinn introduced:

H. F. No. 1001, A bill for an act relating to taxation; property; limiting increases in the market value of homesteads; amending Minnesota Statutes 1988, section 273.11, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Waltman introduced:

H. F. No. 1002, A bill for an act relating to marriage; requiring premarital and predissolution counseling; prohibiting a dissolution contrary to the marriage vows; requiring at least one year delay between filing the petition and entering the decree; amending Minnesota Statutes 1988, sections 518.06, subdivision 1, and by adding subdivisions; 518.145, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 517.

The bill was read for the first time and referred to the Committee on Judiciary.

Waltman; Johnson, V.; Pelowski and Sviggum introduced:

H. F. No. 1003, A bill for an act relating to the environment; providing for compensation to local government units affected by unlawful wastewater discharge; amending Minnesota Statutes 1988, section 115.071, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Swenson, Pauly, Lieder, Battaglia and Carruthers introduced:

H. F. No. 1004, A bill for an act relating to local government; expanding the purpose for the use of certain dedicated cash payments under the municipal planning law; amending Minnesota Statutes 1988, section 462.358, subdivision 2b.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Johnson, R.; Bertram; Tompkins; Simoneau and Dille introduced:

H. F. No. 1005, A bill for an act relating to retirement; public employees retirement association; adding employees of the Minnesota association of townships as members; amending Minnesota Statutes 1988, section 353.01, subdivision 2a.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Sviggum; Knickerbocker; Simoneau; Nelson, K., and Rodosovich introduced:

H. F. No. 1006, A bill for an act relating to retirement; teachers retirement association; teacher retirement fund associations in the cities of the first class; establishing a special defined contribution program for extracurricular teaching activity compensation amounts; amending Minnesota Statutes 1988, sections 354.05, subdivision 35, and by adding subdivisions; 354.07, by adding subdivisions; 354.42, subdivisions 2, 3, and 5; 354.44, subdivisions 6 and 7; 354.46, subdivision 1; 354.48, subdivision 3; 354A.011, by adding subdivisions; 354A.021, by adding a subdivision; 354A.12, subdivisions 1 and 2; and 354A.31, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 354 and 354A.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Simoneau introduced:

H. F. No. 1007, A bill for an act relating to natural resources; regulating the growing, harvesting, processing, and sale of certain wild rice; providing for a wild rice marketing program; imposing penalties; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 30; repealing Minnesota Statutes 1988, section 30.49.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Ostrom, Clark, Dorn, Onnen and Nelson, C., introduced:

H. F. No. 1008, A bill for an act relating to human services; clarifying and expanding the duties of the ombudsman for older Minnesotans; amending Minnesota Statutes 1988, sections 256.974; 256.9741, subdivisions 3 and 5; 256.9742; 256.9744, subdivision 1; and 256.975, subdivision 2, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

## HOUSE ADVISORIES

The following House Advisory was introduced:

Reding introduced:

H. A. No. 3, A proposal to place a moratorium on printing and publishing of certain state materials.

The advisory was referred to the Committee on Governmental Operations.

**MESSAGES FROM THE SENATE**

The following message was received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 112, 686 and 574.

PATRICK E. FLAHAVER, Secretary of the Senate

**FIRST READING OF SENATE BILLS**

S. F. No. 112, A bill for an act relating to vocational rehabilitation; changing term "extended employment plan participants" to "workers"; amending Minnesota Statutes 1988, section 129A.08, subdivision 4.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

S. F. No. 686, A resolution memorializing the President and Congress to condemn the government of Iran because of its action against Salman Rushdie and to refuse efforts to return frozen Iranian assets to Iran.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

S. F. No. 574, A bill for an act relating to natural resources;

providing for a deficiency in the appropriation for emergency deer feeding; appropriating money.

The bill was read for the first time.

#### SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Anderson, G., moved that the rule therein be suspended and an urgency be declared so that S. F. No. 574 be given its second and third readings and be placed upon its final passage.

A roll call was requested and properly seconded.

The question was taken on the Anderson, G., motion and the roll was called. There were 118 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Abrams	Greenfield	Lieder	Onnen	Simoneau
Anderson, G.	Gruenes	Limmer	Orenstein	Skoglund
Anderson, R.	Gutknecht	Long	Ostrom	Solberg
Battaglia	Hartle	Lynch	Ozment	Sparby
Bauerly	Hasskamp	Macklin	Pauly	Stanius
Beard	Haukoos	Marsh	Pellow	Steensma
Begich	Heap	McDonald	Pelowski	Sviggum
Bennett	Henry	McEachern	Peterson	Swenson
Bertram	Himle	McGuire	Poppenhagen	Tjornhom
Blatz	Hugoson	McLaughlin	Price	Tompkins
Boo	Janezich	McPherson	Pugh	Trimble
Burger	Jaros	Milbert	Quinn	Tunheim
Carlson, D.	Jefferson	Miller	Redalen	Uphus
Carlson, L.	Jennings	Morrison	Reding	Valento
Conway	Johnson, A.	Munger	Rest	Wagenius
Cooper	Johnson, R.	Murphy	Rice	Waltman
Dauner	Johnson, V.	Nelson, C.	Richter	Weaver
Dawkins	Kalis	Nelson, K.	Rodosovich	Welle
Dempsey	Kelly	Neuenschwander	Rukavina	Wenzel
Dille	Kelso	O'Connor	Runbeck	Winter
Dorn	Kinkel	Olsen, S.	Sarna	Wynia
Forsythe	Knickerbocker	Olson, E.	Schafer	Spk. Vanasek
Frerichs	Kostohryz	Olson, K.	Seaberg	
Girard	Lasley	Omam	Segal	

Those who voted in the negative were:

Clark Williams

The motion prevailed.

Anderson, G., moved that the Rules of the House be so far suspended that S. F. No. 574 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 574 was read for the second time.

Anderson, G., moved to amend S. F. No. 574, as follows:

Page 1, line 7, delete "\$500,000" and insert "\$300,000"

The motion prevailed and the amendment was adopted.

S. F. No. 574, A bill for an act relating to natural resources; providing for a deficiency in the appropriation for emergency deer feeding; appropriating money.

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 124 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Kostohryz	Omann	Simoneau
Anderson, G.	Girard	Lasley	Ornen	Skoglund
Anderson, R.	Greenfield	Lieder	Orenstein	Solberg
Battaglia	Gruenes	Limmer	Ostrom	Sparby
Bauerly	Gutknecht	Long	Ozment	Stanius
Beard	Hartle	Lynch	Pauly	Steensma
Begich	Hasskamp	Macklin	Pellow	Sviggum
Bennett	Haukoos	Marsh	Pelowski	Swenson
Bertram	Heap	McDonald	Peterson	Tjornhom
Blatz	Henry	McEachern	Poppenhagen	Tompkins
Boo	Himle	McGuire	Price	Trimble
Brown	Hugoson	McLaughlin	Pugh	Tunheim
Burger	Jacobs	McPherson	Quinn	Uphus
Carlson, D.	Janezich	Milbert	Redalen	Valento
Carlson, L.	Jaros	Miller	Reding	Vellenga
Carruthers	Jefferson	Morrison	Rest	Wagenius
Conway	Jennings	Munger	Rice	Waltman
Cooper	Johnson, A.	Murphy	Richter	Weaver
Dauner	Johnson, R.	Nelson, C.	Rodosovich	Welle
Dawkins	Johnson, V.	Nelson, K.	Rukavina	Wenzel
Dempsey	Kalis	Neuenschwander	Runbeck	Williams
Dille	Kelly	O'Connor	Sarna	Winter
Dorn	Kelso	Olsen, S.	Schafer	Wynia
Forsythe	Kinkel	Olson, E.	Schreiber	Spk. Vanasek
Frederick	Knickerbocker	Olson, K.	Seaberg	

Those who voted in the negative were:

Clark

The bill was passed, as amended, and its title agreed to.

## CONSENT CALENDAR

S. F. No. 215, A bill for an act relating to notaries public;

increasing the period of time during which reappointments may be made; amending Minnesota Statutes 1988, section 359.02.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Lasley	Orenstein	Skoglund
Anderson, G.	Girard	Lieder	Ostrom	Solberg
Anderson, R.	Greenfield	Limmer	Ozment	Sparby
Battaglia	Gruenes	Long	Pauly	Stanisus
Bauerly	Gutknecht	Lynch	Pellow	Steensma
Beard	Hartle	Macklin	Pelowski	Sviggum
Begich	Hasskamp	Marsh	Peterson	Swenson
Bennett	Haukoos	McDonald	Poppenhagen	Tjornthom
Bertram	Heap	McEachern	Price	Tompkins
Blatz	Henry	McGuire	Pugh	Trimble
Boo	Himle	McLaughlin	Quinn	Tunheim
Brown	Hugoson	McPherson	Redalen	Uphus
Burger	Jacobs	Milbert	Reding	Valento
Carlson, D.	Janezich	Miller	Rest	Vellenga
Carlson, L.	Jaros	Morrison	Rice	Wagenius
Carruthers	Jefferson	Munger	Richter	Waltman
Clark	Jennings	Murphy	Rodosovich	Weaver
Conway	Johnson, A.	Nelson, C.	Rukavina	Welle
Cooper	Johnson, R.	Nelson, K.	Runbeck	Wenzel
Dauner	Johnson, V.	Neuenschwander	Sarna	Williams
Dawkins	Kalis	O'Connor	Schafer	Winter
Dempsey	Kelly	Olsen, S.	Scheid	Wynia
Dille	Kelso	Olson, E.	Schreiber	Spk. Vanasek
Dorn	Kinkel	Olson, K.	Seaberg	
Forsythe	Knickerbocker	Omann	Segal	
Frederick	Kostohryz	Onnen	Simoneau	

The bill was passed and its title agreed to.

H. F. No. 527, A bill for an act relating to state parks; requiring collection facilities for recycling containers in state parks; proposing coding for new law in Minnesota Statutes, chapter 85.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Beard	Boo	Carruthers	Dempsey
Anderson, G.	Begich	Brown	Conway	Dille
Anderson, R.	Bennett	Burger	Cooper	Dorn
Battaglia	Bertram	Carlson, D.	Dauner	Forsythe
Bauerly	Blatz	Carlson, L.	Dawkins	Frederick

Frerichs	Kalis	Munger	Pugh	Stanius
Girard	Kelly	Murphy	Quinn	Steensma
Greenfield	Kelso	Nelson, C.	Redalen	Sviggum
Gruenes	Kinkel	Nelson, K.	Reding	Swenson
Gutknecht	Knickerbocker	Neuenschwander	Rest	Tjornhom
Hartle	Kostohryz	O'Connor	Rice	Tompkins
Hasskamp	Lasley	Olsen, S.	Richter	Trimble
Haukoos	Lieder	Olson, E.	Rodosovich	Tunheim
Heap	Limmer	Olson, K.	Rukavina	Uphus
Henry	Long	Omann	Runbeck	Valento
Himle	Lynch	Onnen	Sarna	Vellenga
Hugoson	Macklin	Orenstein	Schafer	Wagenius
Jacobs	Marsh	Ostrom	Scheid	Waltman
Janezich	McDonald	Ozment	Schreiber	Weaver
Jaros	McGuire	Pauly	Seaberg	Welle
Jefferson	McLaughlin	Pellow	Segal	Wenzel
Jennings	McPherson	Pelowski	Simoneau	Williams
Johnson, A.	Milbert	Peterson	Skoglund	Winter
Johnson, R.	Miller	Poppenhagen	Solberg	Wynia
Johnson, V.	Morrison	Price	Sparby	Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 223, A bill for an act relating to consumer protection; prohibiting the sale of tobacco from multiproduct vending machines; prescribing a penalty; proposing coding for new law in Minnesota Statutes, chapter 325E.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Knickerbocker	Olson, K.	Seaberg
Anderson, G.	Frerichs	Kostohryz	Omann	Segal
Anderson, R.	Girard	Lasley	Onnen	Simoneau
Battaglia	Greenfield	Lieder	Orenstein	Skoglund
Bauerly	Gruenes	Limmer	Ostrom	Solberg
Beard	Gutknecht	Long	Ozment	Sparby
Begich	Hartle	Lynch	Pauly	Stanius
Bennett	Hasskamp	Macklin	Pellow	Steensma
Bertram	Haukoos	Marsh	Pelowski	Sviggum
Blatz	Heap	McDonald	Peterson	Swenson
Boo	Henry	McEachern	Poppenhagen	Tjornhom
Brown	Himle	McGuire	Price	Tompkins
Burger	Hugoson	McLaughlin	Pugh	Trimble
Carlson, D.	Jacobs	McPherson	Quinn	Tunheim
Carlson, L.	Janezich	Milbert	Redalen	Uphus
Carruthers	Jaros	Miller	Reding	Valento
Clark	Jefferson	Morrison	Rest	Vellenga
Conway	Jennings	Munger	Rice	Wagenius
Cooper	Johnson, A.	Murphy	Richter	Waltman
Dauner	Johnson, R.	Nelson, C.	Rodosovich	Weaver
Dawkins	Johnson, V.	Nelson, K.	Rukavina	Welle
Dempsey	Kalis	Neuenschwander	Runbeck	Wenzel
Dille	Kelly	O'Connor	Sarna	Williams
Dorn	Kelso	Olsen, S.	Schafer	Winter
Forsythe	Kinkel	Olson, E.	Schreiber	Wynia
				Spk. Vanasek

Those who voted in the negative were:

Scheid

The bill was passed and its title agreed to.

H. F. No. 242, A bill for an act relating to transportation; providing for strength, width, clearance, and safety standards for bridges; amending Minnesota Statutes 1988, section 165.03, 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 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Knickerbocker	Olson, K.	Schreiber
Anderson, G.	Frerichs	Kostohryz	Omann	Seaberg
Anderson, R.	Girard	Lasley	Onnen	Segal
Battaglia	Greenfield	Lieder	Orenstein	Simoneau
Bauerly	Gruenes	Limmer	Ostrom	Skoglund
Beard	Gutknecht	Long	Ozment	Solberg
Begich	Hartle	Lynch	Pauly	Sparby
Bennett	Hasskamp	Macklin	Pellow	Stanius
Bertram	Haukoos	Marsh	Pelowski	Steensma
Bishop	Heap	McDonald	Peterson	Swiggum
Blatz	Henry	McEachern	Poppenhagen	Swenson
Brown	Himle	McGuire	Price	Tjornhom
Burger	Hugoson	McLaughlin	Pugh	Tompkins
Carlson, D.	Jacobs	McPherson	Quinn	Tunheim
Carlson, L.	Janezich	Milbert	Redalen	Uphus
Carruthers	Jaros	Miller	Reding	Valento
Clark	Jefferson	Morrison	Rest	Vellenga
Conway	Jennings	Munger	Rice	Wagenius
Cooper	Johnson, A.	Murphy	Richter	Waltman
Dauner	Johnson, R.	Nelson, C.	Rodosovich	Weaver
Dawkins	Johnson, V.	Nelson, K.	Rukavina	Welle
Dempsey	Kalis	Neuenschwander	Runbeck	Wenzel
Dille	Kelly	O'Connor	Sarna	Williams
Dorn	Kelso	Olsen, S.	Schafer	Winter
Forsythe	Kinkel	Olson, E.	Scheid	Wynia
				Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 387, A bill for an act relating to traffic regulations; exempting state patrol troopers from requirement of security barrier in marked state patrol vehicles; amending Minnesota Statutes 1988, section 169.98, 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 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Knickerbocker	Omann	Seaberg
Anderson, G.	Frerichs	Kostohryz	Onnen	Segal
Anderson, R.	Girard	Lasley	Orenstein	Simoneau
Battaglia	Greenfield	Lieder	Ostrom	Skoglund
Bauerly	Gruenes	Limmer	Ozment	Solberg
Beard	Gutknecht	Long	Pauly	Sparby
Begich	Hartle	Lynch	Pellow	Stanius
Bennett	Hasskamp	Macklin	Pelowski	Steensma
Bertram	Haukoos	Marsh	Peterson	Swiggum
Bishop	Heap	McDonald	Poppenhagen	Swenson
Blatz	Henry	McEachern	Price	Tjornhom
Boo	Himle	McGuire	Pugh	Tompkins
Brown	Hugoson	McPherson	Quinn	Tunheim
Burger	Jacobs	Milbert	Redalen	Uphus
Carlson, D.	Janezich	Miller	Reding	Valento
Carlson, L.	Jaros	Morrison	Rest	Vellenga
Carruthers	Jefferson	Munger	Rice	Wagenius
Clark	Jennings	Murphy	Richter	Waltman
Conway	Johnson, A.	Nelson, C.	Rodosovich	Weaver
Cooper	Johnson, R.	Nelson, K.	Rukavina	Welle
Dauner	Johnson, V.	Neuenschwander	Runbeck	Wenzel
Dawkins	Kalis	O'Connor	Sarna	Williams
Dempsey	Kelly	Olsen, S.	Schafer	Winter
Dorn	Kelso	Olson, E.	Scheid	Wynia
Forsythe	Kinkel	Olson, K.	Schreiber	Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 545, A bill for an act relating to natural resources; providing for the disposal of certain low-grade state-owned iron-bearing materials for construction or maintenance purposes; amending Minnesota Statutes 1988, section 93.41, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Burger	Frerichs	Janezich	Lasley
Anderson, G.	Carlson, D.	Girard	Jaros	Lieder
Anderson, R.	Carlson, L.	Greenfield	Jefferson	Limmer
Battaglia	Carruthers	Gruenes	Jennings	Long
Bauerly	Clark	Gutknecht	Johnson, A.	Lynch
Beard	Conway	Hartle	Johnson, R.	Macklin
Begich	Cooper	Hasskamp	Johnson, V.	Marsh
Bennett	Dawkins	Haukoos	Kalis	McDonald
Bertram	Dempsey	Heap	Kelly	McEachern
Bishop	Dille	Henry	Kelso	McGuire
Blatz	Dorn	Himle	Kinkel	McLaughlin
Boo	Forsythe	Hugoson	Knickerbocker	McPherson
Brown	Frederick	Jacobs	Kostohryz	Milbert

Miller	Orenstein	Rest	Skoglund	Vellenga
Morrison	Ostrom	Rice	Solberg	Wagenius
Munger	Ozment	Richter	Sparby	Waltman
Murphy	Pauly	Rodosovich	Stanius	Weaver
Nelson, C.	Pellow	Rukavina	Steensma	Welle
Nelson, K.	Pellowski	Runbeck	Sviggum	Wenzel
Neuenschwander	Peterson	Sarna	Swenson	Williams
O'Connor	Poppenhagen	Schafer	Tjornhom	Winter
Olsen, S.	Price	Scheid	Tompkins	Wynia
Olson, E.	Pugh	Schreiber	Trimble	Spk. Vanasek
Olson, K.	Quinn	Seaberg	Tunheim	
Omann	Redalen	Segal	Uphus	
Onnen	Reding	Simoneau	Valento	

The bill was passed and its title agreed to.

### CALENDAR

H. F. No. 154, A bill for an act relating to crimes; extending the limitation period for charging sexual criminal conduct offenses if the victim is a child; amending Minnesota Statutes 1988, section 628.26.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Forsythe	Knickerbocker	Olson, K.	Schreiber
Anderson, G.	Frederick	Kostohryz	Omann	Seaberg
Anderson, R.	Frerichs	Lasley	Onnen	Segal
Battaglia	Girard	Lieder	Orenstein	Simoneau
Bauerly	Greenfield	Limmer	Ostrom	Skoglund
Beard	Gruenes	Long	Ozment	Solberg
Begich	Gutknecht	Lynch	Pauly	Stanius
Bennett	Hartle	Macklin	Pellow	Steensma
Bertram	Hasskamp	Marsh	Pelowski	Sviggum
Bishop	Haukoos	McDonald	Peterson	Swenson
Blatz	Heap	McEachern	Poppenhagen	Tjornhom
Boo	Henry	McGuire	Price	Tompkins
Brown	Himle	McLaughlin	Pugh	Tunheim
Burger	Hugoson	McPherson	Quinn	Uphus
Carlson, D.	Jacobs	Milbert	Redalen	Valento
Carlson, L.	Janezich	Miller	Reding	Vellenga
Carruthers	Jaros	Morrison	Rest	Wagenius
Clark	Jefferson	Munger	Rice	Waltman
Conway	Jennings	Murphy	Richter	Weaver
Cooper	Johnson, A.	Nelson, C.	Rodosovich	Welle
Dauner	Johnson, R.	Nelson, K.	Rukavina	Wenzel
Dawkins	Johnson, V.	Neuenschwander	Runbeck	Williams
Dempsey	Kahs	O'Connor	Sarna	Winter
Dille	Kelso	Olsen, S.	Schafer	Wynia
Dorn	Kinkel	Olson, E.	Scheid	Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 43, A bill for an act relating to state lands; authorizing St. Louis county to sell certain tax-forfeited lands bordering public waters.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Abrams	Forsythe	Knickerbocker	Omann	Seaberg
Anderson, G.	Frederick	Kostohryz	Onnen	Segal
Anderson, R.	Frerichs	Lasley	Orenstein	Simoneau
Battaglia	Girard	Lieder	Ostrom	Skoglund
Bauerly	Greenfield	Limmer	Ozment	Solberg
Beard	Gruenes	Long	Pauly	Sparby
Begich	Gutknecht	Lynch	Pellow	Stanius
Bennett	Hartle	Macklin	Pelowski	Steenasma
Bertram	Hasskamp	Marsh	Peterson	Sviggum
Bishop	Haukoos	McDonald	Poppenhagen	Swenson
Blatz	Heap	McEachern	Price	Tjornhom
Boo	Henry	McGuire	Pugh	Tompkins
Brown	Himle	McLaughlin	Quinn	Trimble
Burger	Hugoson	McPherson	Redalen	Tunheim
Carlson, D.	Jacobs	Milbert	Reding	Uphus
Carlson, L.	Janezich	Miller	Rest	Valento
Carruthers	Jaros	Morrison	Rice	Vellenga
Clark	Jennings	Murphy	Richter	Wagenius
Conway	Johnson, A.	Nelson, C.	Rodosovich	Walfman
Cooper	Johnson, R.	Nelson, K.	Rukavina	Weaver
Dauner	Johnson, V.	Neuenschwander	Rumbeck	Welle
Dawkins	Kalis	O'Connor	Sarna	Wenzel
Dempsey	Kelly	Olsen, S.	Schafer	Williams
Dille	Kelso	Olson, E.	Scheid	Winter
Dorn	Kinkel	Olson, K.	Schreiber	Wynia

Those who voted in the negative were:

Munger                      Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 85, A bill for an act relating to public safety; regulating boiler operation and inspections; amending Minnesota Statutes 1988, sections 183.42; and 183.45.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Forsythe	Kinkel	Olson, K.	Schreiber
Anderson, G.	Frederick	Knickerbocker	Omman	Seaberg
Anderson, R.	Frerichs	Kostohryz	Onnen	Simoneau
Battaglia	Girard	Lasley	Orenstein	Skoglund
Bauerly	Greenfield	Lieder	Ostrom	Solberg
Beard	Gruenes	Limmer	Ozment	Sparby
Begich	Gutknecht	Long	Pauly	Stanius
Bennett	Hartle	Lynch	Pellow	Steenasma
Bertram	Hasskamp	Macklin	Pelowski	Svigum
Bishop	Haukoos	Marsh	Peterson	Swenson
Blatz	Heap	McDonald	Poppenhagen	Tjorrihom
Boo	Henry	McGuire	Price	Tompkins
Brown	Himle	McLaughlin	Pugh	Trimble
Burger	Hugoson	McPherson	Quinn	Tunheim
Carlson, D.	Jacobs	Milbert	Redalen	Uphus
Carlson, L.	Janezich	Miller	Reding	Valento
Carruthers	Jaros	Morrison	Rest	Vellenga
Clark	Jefferson	Munger	Rice	Wagenius
Conway	Jennings	Murphy	Richter	Waltman
Cooper	Johnson, A.	Nelson, C.	Rodosovich	Weaver
Dauner	Johnson, R.	Nelson, K.	Rukavina	Welle
Dawkins	Johnson, V.	Neuenschwander	Runbeck	Wenzel
Dempsey	Kalis	O'Connor	Sarna	Williams
Dille	Kelly	Olsen, S.	Schafer	Winter
Dorn	Kelso	Olson, E.	Scheid	Wynia
				Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 323, A bill for an act relating to commerce; regulating motor vehicle sales and distribution; determining reasonable compensation for warranty services performed by dealers; amending Minnesota Statutes 1988, section 80E.04, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Carruthers	Hartle	Kelly	Milbert
Anderson, G.	Clark	Hasskamp	Kelso	Miller
Anderson, R.	Conway	Haukoos	Kinkel	Morrison
Battaglia	Cooper	Heap	Knickerbocker	Munger
Bauerly	Dauner	Henry	Kostohryz	Murphy
Beard	Dawkins	Himle	Lasley	Nelson, C.
Begich	Dempsey	Hugoson	Lieder	Nelson, K.
Bennett	Dille	Jacobs	Limmer	Neuenschwander
Bertram	Dorn	Janezich	Long	O'Connor
Bishop	Forsythe	Jaros	Lynch	Olsen, S.
Blatz	Frederick	Jefferson	Macklin	Olsen, E.
Boo	Frerichs	Jennings	Marsh	Olson, K.
Brown	Girard	Johnson, A.	McDonald	Omman
Burger	Greenfield	Johnson, R.	McEachern	Onnen
Carlson, D.	Gruenes	Johnson, V.	McGuire	Orenstein
Carlson, L.	Gutknecht	Kalis	McPherson	Ostrom

Ozment	Reding	Schreiber	Swenson	Weaver
Pauly	Rest	Seaberg	Tjornhom	Welle
Pellow	Rice	Segal	Tompkins	Wenzel
Pelowski	Richter	Simoneau	Trimble	Williams
Peterson	Rodosovich	Skoglund	Tunheim	Winter
Poppenhagen	Rukavina	Solberg	Uphus	Wynia
Price	Runbeck	Sparby	Valento	Spk. Vanasek
Pugh	Sarna	Stanius	Vellenga	
Quinn	Schafer	Steensma	Wagenius	
Redalen	Scheid	Sviggum	Waltman	

The bill was passed and its title agreed to.

H. F. No. 426, A bill for an act relating to the city of Mankato; authorizing location of certain polling places more than 3,000 feet outside precinct boundaries.

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	Frederick	Kostohryz	Onnen	Simoneau
Anderson, G.	Frerichs	Lasley	Orenstein	Skoglund
Anderson, R.	Girard	Lieder	Ostrom	Solberg
Battaglia	Greenfield	Limmer	Ozment	Sparby
Bauerly	Gruenes	Long	Pauly	Stanius
Beard	Gutknecht	Lynch	Pellow	Steensma
Begich	Hartle	Macklin	Pelowski	Sviggum
Bennett	Hasskamp	Marsh	Peterson	Swenson
Bertram	Haukoos	McDonald	Poppenhagen	Tjornhom
Bishop	Heap	McEachern	Price	Tompkins
Blatz	Henry	McGuire	Pugh	Trimble
Boo	Himle	McLaughlin	Quinn	Tunheim
Brown	Hugoson	McPherson	Redalen	Uphus
Burger	Jacobs	Milbert	Reding	Valento
Carlson, D.	Janezich	Miller	Rest	Vellenga
Carlson, L.	Jaros	Morrison	Rice	Wagenius
Carruthers	Jefferson	Munger	Richter	Waltman
Clark	Jennings	Murphy	Rodosovich	Weaver
Conway	Johnson, A.	Nelson, C.	Rukavina	Welle
Cooper	Johnson, R.	Nelson, K.	Runbeck	Wenzel
Dauner	Johnson, V.	Neuenschwander	Sarna	Williams
Dawkins	Kalis	O'Connor	Schafer	Winter
Dempsey	Kelly	Olsen, S.	Scheid	Wynia
Dille	Kelso	Olson, E.	Schreiber	Spk. Vanasek
Dorn	Kinkel	Olson, K.	Seaberg	
Forsythe	Knickerbocker	Omann	Segal	

The bill was passed and its title agreed to.

H. F. No. 502, A bill for an act relating to state lands; authorizing

private conveyance of tax-forfeited land bordering public water in Washington 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 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kostohryz	Onnen	Simoneau
Anderson, G.	Frerichs	Lasley	Orenstein	Skoglund
Anderson, R.	Girard	Lieder	Ostrom	Solberg
Battaglia	Greenfield	Limmer	Ozment	Sparby
Bauerly	Gruenes	Long	Pauly	Stanius
Beard	Gutknecht	Lynch	Pellow	Steensma
Begich	Hartle	Macklin	Pelowski	Sviggum
Bennett	Hasskamp	Marsh	Peterson	Swenson
Bertram	Haukoos	McDonald	Poppenhagen	Tjornhom
Bishop	Heap	McEachern	Price	Tompkins
Blatz	Henry	McGuire	Pugh	Trimble
Boo	Himle	McLaughlin	Quinn	Tunheim
Brown	Hugoson	McPherson	Redalen	Uphus
Burger	Jacobs	Milbert	Reding	Valento
Carlson, D.	Janezich	Miller	Rest	Vellenga
Carlson, L.	Jaros	Morrison	Rice	Wagenius
Carruthers	Jefferson	Munger	Richter	Waltman
Clark	Jennings	Murphy	Rodosovich	Weaver
Conway	Johnson, A.	Nelson, C.	Rukavina	Welle
Cooper	Johnson, R.	Nelson, K.	Runbeck	Wenzel
Dauner	Johnson, V.	Neuenschwander	Sarna	Williams
Dawkins	Kalis	O'Connor	Schafer	Winter
Dempsey	Kelly	Olsen, S.	Scheid	Wynia
Dille	Kelso	Olson, E.	Schreiber	Spk. Vanasek
Dorn	Kinkel	Olson, K.	Seaberg	
Forsythe	Knickerbocker	Omann	Segal	

The bill was passed and its title agreed to.

S. F. No. 32, A bill for an act relating to crimes; trespass; recodifying the law on dangerous trespasses and misdemeanor trespasses; prescribing penalties; amending Minnesota Statutes 1988, sections 609.02, subdivisions 12 and 13; 609.50; 609.55, subdivision 2, and by adding subdivisions; 609.576; 609.605; 609.85; 609.855, subdivisions 1 and 3; 624.731, subdivision 7; and 629.363; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes 1988, section 609.60.

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 120 yeas and 6 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Knickerbocker	Omman	Simoneau
Anderson, G.	Frerichs	Kostohryz	Onnen	Skoglund
Anderson, R.	Girard	Lasley	Orenstein	Solberg
Battaglia	Greenfield	Lieder	Ostroim	Sparby
Bauerly	Gruenes	Limmer	Pauly	Stanius
Beard	Gutknecht	Long	Pellow	Steensma
Begich	Hartle	Lynch	Pelowski	Sviggum
Bennett	Hasskamp	Macklin	Peterson	Swenson
Bertram	Haukoos	Marsh	Poppenhagen	Tjornhom
Bishop	Heap	McEachern	Price	Tompkins
Blatz	Henry	McGuire	Pugh	Trimble
Boo	Himle	McLaughlin	Quinn	Tunheim
Brown	Hugoson	McPherson	Redalen	Uphus
Burger	Jacobs	Milbert	Reding	Valento
Carlson, L.	Janezich	Miller	Rest	Vellenga
Carruthers	Jaros	Morrison	Rice	Wagenius
Clark	Jefferson	Munger	Richter	Waltman
Conway	Jennings	Murphy	Rodosovich	Weaver
Cooper	Johnson, A.	Nelson, C.	Rukavina	Welle
Dauner	Johnson, R.	Nelson, K.	Runbeck	Wenzel
Dawkins	Kalis	O'Connor	Sarna	Williams
Dille	Kelly	Olsen, S.	Scheid	Winter
Dorn	Kelso	Olson, E.	Seaberg	Wynia
Forsythe	Kinkel	Olson, K.	Segal	Spk. Vanasek

Those who voted in the negative were:

Carlson, D.	McDonald	Schafer
Johnson, V.	Ozment	Schreiber

The bill was passed and its title agreed to.

Blatz was excused at 3:40 p.m.

## GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Vanasek in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose:

### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 321, 322, 450 and 509 were recommended to pass.

S. F. No. 204 was recommended to pass.

H. F. No. 65 was recommended for progress.

H. F. No. 148, the first engrossment, which it recommended to pass with the following amendment offered by Price:

Delete everything after the enacting clause and insert:

"Section 1. [WASHINGTON COUNTY; PAYMENTS.]

The Washington county board may provide procedures for the payment of all or any class of county obligations by the county auditor-treasurer without presentation to the board. The procedures shall include regular and frequent review of the auditor-treasurer's actions by the board.

Sec. 2. [ANOKA COUNTY; PAYMENTS.]

The Anoka county board may provide procedures for the payment of all or any class of county obligations by the county auditor without presentation to the board. The procedures shall include regular and frequent review of the auditor's action by the board.

Sec. 3. [LOCAL APPROVAL.]

Section 1 is in effect the day after the Washington county board complies with Minnesota Statutes, section 645.021, subdivision 3. Section 2 is in effect the day after the Anoka county board complies with Minnesota Statutes, section 645.021, subdivision 3."

Delete the title and insert:

"A bill for an act relating to local government; permitting the counties of Washington and Anoka to establish certain payment procedures."

S. F. No. 156 which it recommended for progress with the following amendment offered by Kostohryz:

Delete everything after the enacting clause and insert:

"Section 1. [3.9221] [INDIAN TRIBES; COMPACTS TO BE NEGOTIATED.]

Subdivision 1. [DEFINITION.] For purposes of this section, "act" means the Indian Gaming Regulatory Act, Public Law Number 100-497 and future amendments to it.

Subd. 2. [NEGOTIATIONS AUTHORIZED.] The governor, the speaker of the house, and the majority leader of the senate, or their designated representatives, shall, pursuant to section 11 of the act, negotiate in good faith a tribal-state compact regulating the conduct

of class III gambling, as defined in section 4 of the act, on Indian lands of a tribe requesting negotiations. A designated representative of the governor must be a person employed in the office of the governor or in the state planning agency at the time of the designation. A designated representative of the speaker of the house or the senate majority leader must be a member of the house or the senate respectively. The agreement may include any provision authorized under section 11(d)(3)(C) of the act. The attorney general is the legal counsel for the governor, speaker of the house, and the majority leader of the senate, or their designees, in regard to negotiating a compact under this section.

Subd. 3. [CONTENT OF COMPACT.] A compact under subdivision 2 must govern class III gaming activity on Indian lands with respect to the following:

- (1) amounts which may be offered as prizes or winnings;
- (2) frequency with which class III gaming may be conducted;
- (3) minimum age for participation in class III gaming or the conduct of class III gaming;
- (4) licensing of entities authorized to conduct class III gaming;
- (5) licensing of and specifications for gaming equipment used in class III gaming;
- (6) recording and reporting on the frequency, gross receipts, expenses, profits, and expenditures of profits from class III gaming; and
- (7) rules of play for class III gaming.

Subd. 4. [REPORT.] The persons authorized by subdivision 2 to negotiate on behalf of the state a tribal-state compact must, before signing the compact on behalf of the state, report on its content to the senate committee on general legislation and public gaming and the house committee on general legislation, veterans affairs, and gaming.

Sec. 2. [TERMS OF COMPACT; RIGHTS OF PARTIES.]

A compact agreed to on behalf of the state under section 1 must contain:

- (1) a provision recognizing the right of each party to the agreement, including the legislature by joint resolution, to request that the agreement be renegotiated or replaced by a new compact, and providing the terms under which either party, including the legis-

lature, can request a renegotiation or the negotiation of a new compact; and

(2) a provision that in the event of a request for a renegotiation or a new compact the existing compact will remain in effect until renegotiated or replaced.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to gambling; authorizing the governor, the speaker of the house, and the majority leader of the senate to negotiate a tribal-state compact pursuant to the Indian gaming regulatory act; proposing coding for new law in Minnesota Statutes, chapter 3."

H. F. No. 508 which it recommended to pass with the following amendment offered by Morrison:

Page 2, line 34, delete "regular"

Page 2, line 35, after "city" insert "general"

On the motion of Wynia the report of the Committee of the Whole was adopted.

ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll call was taken in the Committee of the Whole:

Miller moved to amend S. F. No. 156, as amended, as follows:

Page 1, line 14, after "house," insert "the minority leader of the house," and delete "and" and after "senate," insert "and the minority leader of the senate,"

Page 1, line 22, after "house" insert ", the minority leader of the house," and delete "or"

Page 1, line 23, after "leader" insert ", or the minority leader of the senate"

Page 2, line 1, after "house," insert "the minority leader of the house," and delete "and" and after "senate," insert "the minority leader of the senate"

The question was taken on the Miller amendment and the roll was called. There were 54 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Abrams	Girard	Kelly	Omann	Seaberg
Bennett	Gruenes	Knickerbocker	Onnen	Stanius
Bishop	Gutknecht	Limmer	Ozment	Sviggum
Boo	Hartle	Lynch	Pauly	Swenson
Burger	Haukoos	Macklin	Pellow	Tjornhom
Carlson, D.	Heap	Marsh	Poppenhagen	Tompkins
Dempsey	Henry	McDonald	Redalen	Uphus
Dille	Himle	McPherson	Richter	Valento
Forsythe	Hugoson	Miller	Runbeck	Waltman
Frederick	Jennings	Morrison	Schafer	Weaver
Frerichs	Johnson, V.	Olsen, S.	Schreiber	

Those who voted in the negative were:

Anderson, G.	Dorn	McEachern	Pelowski	Solberg
Battaglia	Greenfield	McGuire	Peterson	Sparby
Bauerly	Hasskamp	McLaughlin	Price	Steensma
Beard	Jacobs	Milbert	Pugh	Tunheim
Begich	Janezich	Munger	Quinn	Vellenga
Bertram	Jefferson	Murphy	Reding	Wagenius
Brown	Johnson, A.	Nelson, C.	Rest	Welle
Carlson, L.	Kalis	Nelson, K.	Rice	Wenzel
Carruthers	Kelso	Neuenschwander	Rodosovich	Williams
Clark	Kinkel	O'Connor	Sarna	Winter
Conway	Kostohryz	Olson, E.	Scheid	Wynia
Cooper	Lasley	Olson, K.	Segal	Spk. Vanasek
Dauner	Lieder	Orenstein	Simoneau	
Dawkins	Long	Ostrom	Skoglund	

The motion did not prevail and the amendment was not adopted.

## MOTIONS AND RESOLUTIONS

McLaughlin moved that the name of Henry be added as an author on H. F. No. 164. The motion prevailed.

Quinn moved that the name of Johnson, R., be added as an author on H. F. No. 200. The motion prevailed.

Clark moved that the name of Limmer be added as an author on H. F. No. 300. The motion prevailed.

Kalis moved that the name of Henry be added as an author on H. F. No. 514. The motion prevailed.

O'Connor moved that the name of Morrison be stricken and the name of Olsen, S., be added as an author on H. F. No. 737. The motion prevailed.

Welle moved that the name of Ogren be stricken and the name of Pappas be added as an author on H. F. No. 759. The motion prevailed.

Sviggum moved that the name of Macklin be added as an author on H. F. No. 853. The motion prevailed.

Segal moved that the name of Lynch be added as an author on H. F. No. 855. The motion prevailed.

Clark moved that the name of Segal be stricken as an author on H. F. No. 858. The motion prevailed.

Clark moved that the name of Runbeck be added as an author on H. F. No. 859. The motion prevailed.

Segal moved that the name of Lynch be added as an author on H. F. No. 865. The motion prevailed.

Vellenga moved that the names of Gruenes and Greenfield be added as authors on H. F. No. 877. The motion prevailed.

O'Connor moved that H. F. No. 540 be recalled from the Committee on Financial Institutions and Housing and be re-referred to the Committee on Economic Development. The motion prevailed.

O'Connor moved that H. F. No. 737 be recalled from the Committee on Financial Institutions and Housing and be re-referred to the Committee on Judiciary. The motion prevailed.

Kalis moved that H. F. No. 895 be recalled from the Committee on Governmental Operations and be re-referred to the Committee on Transportation. The motion prevailed.

Stanius moved that H. F. No. 604 be recalled from the Committee on Health and Human Services and be re-referred to the Committee on Judiciary. The motion prevailed.

Kostohryz moved that S. F. No. 300 be recalled from the Committee on General Legislation, Veterans Affairs and Gaming and together with H. F. No. 620, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

Stanius moved that H. F. No. 172 be returned to its author. The motion prevailed.

Stanius moved that H. F. No. 332 be returned to its author. The motion prevailed.

ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 2:30 p.m., Monday, March 6, 1989. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Monday, March 6, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION—1989

## EIGHTEENTH DAY

SAINT PAUL, MINNESOTA, MONDAY, MARCH 6, 1989

The House of Representatives convened at 2:30 p.m. and was called to order by Robert E. Vanasek, Speaker of the House.

Prayer was offered by the Reverend Harry Grile, Pastor of the St. Alphonsus Catholic Church, Brooklyn Center, Minnesota.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Abrams	Frerichs	Krueger	Osthoff	Simoneau
Anderson, G.	Girard	Lasley	Ostrom	Skoglund
Anderson, R.	Greenfield	Lieder	Otis	Solberg
Battaglia	Gruenes	Limmer	Ozment	Sparby
Bauerly	Gutknecht	Long	Pappas	Stanius
Beard	Hartle	Lynch	Pauly	Steensma
Begich	Hasskamp	Macklin	Pellow	Svigum
Bennett	Haukoos	Marsh	Pelowski	Swenson
Bertram	Heap	McEachern	Peterson	Tjornhom
Bishop	Henry	McGuire	Poppenhagen	Tompkins
Blatz	Himle	McLaughlin	Price	Trimble
Boo	Hugoson	McPherson	Pugh	Tunheim
Brown	Jacobs	Milbert	Quinn	Uphus
Burger	Janezich	Miller	Redalen	Valento
Carlson, D.	Jaros	Morrison	Reding	Vellenga
Carlson, L.	Jefferson	Munger	Rest	Wagenius
Carruthers	Jennings	Murphy	Rice	Waltman
Clark	Johnson, A.	Nelson, C.	Richter	Weaver
Conway	Johnson, R.	Nelson, K.	Rodosovich	Welle
Cooper	Johnson, V.	O'Connor	Rukavina	Wenzel
Dauner	Kahn	Ogren	Runbeck	Williams
Dawkins	Kabis	Olsen, S.	Sarna	Winter
Dempsey	Kelly	Olson, E.	Schafer	Wynia
Dille	Kelso	Olson, K.	Scheid	Spk. Vanasek
Dorn	Kinkel	Omann	Schreiber	
Forsythe	Knickerbocker	Onnen	Seaberg	
Frederick	Kostohryz	Orenstein	Segal	

A quorum was present.

Neuenschwander was excused.

McDonald was excused until 3:00 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Nelson, C., 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

Pursuant to Rules of the House, printed copies of H. F. Nos. 112, 424, 512, 578, 620, 58, 300, 343, 444, 707, 148 and 508 and S. F. Nos. 112, 686 and 156 have been placed in the members' files.

S. F. No. 300 and H. F. No. 620, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Kostohryz moved that S. F. No. 300 be substituted for H. F. No. 620 and that the House File be indefinitely postponed. The motion prevailed.

#### REPORTS OF STANDING COMMITTEES

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 353, A bill for an act relating to economic development; expanding the definition of economic development district; authorizing economic development authorities to construct and furnish buildings; providing for a referendum on an economic development authority's issuance of general obligation bonds; exempting economic development authority bonds from net debt limits; amending Minnesota Statutes 1988, sections 469.101, subdivision 1, and by adding a subdivision; and 469.102, subdivision 1, and by adding subdivisions.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 481, A bill for an act relating to the city of Mora; authorizing the city to negotiate certain contracts.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 491, A bill for an act relating to tourism; creating a department of tourism; transferring duties and powers from the department of trade and economic development to the department of tourism; appropriating money; amending Minnesota Statutes 1988, sections 15A.081, subdivision 1; 116J.01, subdivision 3; 116J.60; 301A.01, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 116Q; and repealing Minnesota Statutes 1988, section 116J.615.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 15.06, subdivision 1, is amended to read:

Subdivision 1. [APPLICABILITY.] This section applies to the following departments or agencies: the departments of administration, agriculture, commerce, corrections, jobs and training, education, employee relations, trade and economic development, finance, health, human rights, labor and industry, natural resources, public safety, public service, human services, revenue, tourism, transportation, and veterans affairs; the housing finance, state planning, and pollution control agencies; the office of commissioner of iron range resources and rehabilitation; the bureau of mediation services; and their successor departments and agencies. The heads of the foregoing departments or agencies are "commissioners."

Sec. 2. Minnesota Statutes 1988, section 15A.081, subdivision 1, is amended to read:

Subdivision 1. [SALARY RANGES.] The governor shall set the salary rate within the ranges listed below for positions specified in this subdivision, upon approval of the legislative commission on employee relations and the legislature as provided by section 43A.18, subdivisions 2 and 5:

Salary Range  
Effective  
July 1, 1987

\$57,500-\$78,500

Commissioner of finance;

Commissioner of education;

Commissioner of transportation;

Commissioner of human services;

Commissioner of revenue;

Executive director, state board of investment;

\$50,000-\$67,500

Commissioner of administration;

Commissioner of agriculture;

Commissioner of commerce;

Commissioner of corrections;

Commissioner of jobs and training;

Commissioner of employee relations;

Commissioner of health;

Commissioner of labor and industry;

Commissioner of natural resources;

Commissioner of public safety;

Commissioner of tourism;

Commissioner of trade and economic development;

Chair, waste management board;

Chief administrative law judge; office of administrative hearings;

Commissioner, pollution control agency;

Commissioner, state planning agency;

Executive director, housing finance agency;

Executive director, public employees retirement association;

Executive director, teacher's retirement association;

Executive director, state retirement system;

Chair, metropolitan council;

Chair, regional transit board;

\$42,500-\$60,000

Commissioner of human rights;

Commissioner, department of public service;

Commissioner of veterans' affairs;

Commissioner, bureau of mediation services;

Commissioner, public utilities commission;

Member, transportation regulation board;

Ombudsman for corrections;

Ombudsman for mental health and retardation.

Sec. 3. Minnesota Statutes 1988, section 116J.01, subdivision 3, is amended to read:

Subd. 3. [DEPARTMENTAL ORGANIZATION.] The commissioner shall organize the department as provided in section 15.06. The department must be organized into three divisions, designated as the business promotion and marketing division, the community development division, and the Minnesota trade division, and ~~two offices one office, the office of tourism and the policy analysis office.~~ Each division and office shall administer the duties and functions assigned to it by law. When the duties of the divisions or office are not allocated by law, the commissioner may establish and revise the assignments of each division and office. Each division is under the direction of a deputy commissioner in the unclassified service. The

deputy commissioner of the Minnesota trade division must be experienced and knowledgeable in matters of international trade.

Each office is under the direction of a director in the unclassified service.

Sec. 4. Minnesota Statutes 1988, section 116J.58, subdivision 2, is amended to read:

Subd. 2. [PROMOTIONAL CONTRACTS.] In order to best carry out duties and responsibilities and to serve the people of the state in the promotion of ~~tourism~~, trade, and economic development, the commissioner may engage in programs and projects jointly with a private person, firm, corporation or association and may enter into contracts under terms to be mutually agreed upon to carry out such programs and projects not including acquisition of land or buildings. Contracts may be negotiated and are not subject to the provisions of chapter 16B relating to competitive bidding.

Sec. 5. Minnesota Statutes 1988, section 116J.60, is amended to read:

#### 116J.60 [PROMOTIONAL EXPENSES.]

In the promotion of ~~tourism~~, trade, and economic development of the state, the commissioner of trade and economic development may expend money appropriated by the legislature for these purposes in the same manner as private persons, firms, corporations, and associations make expenditures for these purposes. An expenditure for food, lodging, or travel is not governed by the travel rules of the commissioner of employee relations. No money shall be expended for the appearance in radio or television broadcasts by an elected public official.

#### Sec. 6. [116Q.01] [DEFINITIONS.]

Subdivision 1. [SCOPE.] As used in this chapter, the terms defined in this section have the meanings given them.

Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of the department of tourism.

Subd. 3. [DEPARTMENT.] "Department" means the department of tourism.

#### Sec. 7. [116Q.02] [DEPARTMENT OF TOURISM.]

Subdivision 1. [APPOINTMENT.] The department of tourism is supervised and controlled by the commissioner of tourism, who is appointed by the governor and serves under section 15.06.

Subd. 2. [CONFIDENTIAL SECRETARY.] The commissioner may appoint a confidential secretary in the unclassified service.

Subd. 3. [DEPARTMENTAL ORGANIZATION.] The commissioner shall organize the department as provided in section 15.06.

Sec. 8. [116Q.03] [POWERS AND DUTIES OF COMMISSIONER; RULES.]

Subdivision 1. [POWERS.] The commissioner may:

(1) apply for, receive, and expend money from federal municipal, county, regional, other government agencies, and other sources;

(2) apply for, accept, and disburse grants and other aids from other public or private sources;

(3) contract for professional services if such work or services cannot be satisfactorily performed by employees of the department or by any other state agency;

(4) enter into interstate compacts to jointly carry out such research and planning with other states or the federal government where appropriate;

(5) distribute informational material at no cost to the public upon reasonable request;

(6) enter into contracts necessary for the performance of the commissioner's duties with federal, state, regional, metropolitan, local, and other agencies or units of government, and educational institutions, including the University of Minnesota. Contracts made under this clause shall not be subject to the competitive bidding requirements of chapter 16B;

(7) engage in programs and projects jointly with a private person, firm, corporation or association and may enter into contracts under terms to be mutually agreed upon to carry out such programs and projects not including acquisition of land and buildings. Contracts under this clause may be negotiated and are not subject to the provisions of chapter 16B relating to competitive bidding; and

(8) enter into project agreements with organizations or corporations for the purpose of developing the tourism potential of the state. If in the judgment of the commissioner a project will make a meaningful contribution to the tourism development of the state, the commissioner may enter into local or regional agreements.

All money received by the commissioner under this chapter shall be deposited in the state treasury and is appropriated to the

commissioner for the purpose for which the money has been received. The money shall not cancel and shall be available until expended.

Subd. 2. [DUTIES.] The commissioner of tourism shall:

(1) publish, disseminate, and distribute informational and promotional literature;

(2) promote and encourage the expansion and development of international tourism marketing;

(3) advertise and disseminate information about travel opportunities in the state of Minnesota;

(4) aid various local communities to improve their tourism marketing programs;

(5) coordinate and implement a comprehensive state tourism marketing program that takes into consideration all public and private businesses and attractions;

(6) conduct market research and analysis to improve marketing techniques in the area of tourism;

(7) investigate and study conditions affecting Minnesota's tourism industry, collect and disseminate information, and engage in technical studies, scientific investigations, and statistical research and educational activities necessary or useful for the proper execution of the powers and duties of the commissioner in promoting and developing Minnesota's tourism industry, both within and outside the state;

(8) apply for, accept, receive, and expend any funds for the promotion of tourism in Minnesota. All money received by the commissioner under this subdivision shall be deposited in the state treasury and is appropriated to the commissioner for the purposes for which the money has been received. The money does not cancel and is available until expended; and

(9) plan and conduct information and publicity programs to attract tourists, visitors, and other interested persons from outside the state to this state; encourage and coordinate efforts of other public and private organizations or groups of citizens to publicize facilities and attractions in this state; and work with representatives of the hospitality and tourism industry to carry out its programs.

Subd. 3. [ART AND HISTORICAL EXHIBITIONS.] To promote tourism, trade, and cultural enrichment, the commissioner of tour-

ism may arrange for the exhibition of art collections and historical displays from other nations in the state capitol and in other public buildings throughout the state of Minnesota. The commissioner of tourism shall cooperate with the state historical society in implementing this cultural exchange program and may enter into any contracts or joint ventures that are necessary to achieve the objectives of this section.

Subd. 4. [REGIONAL TOURISM OFFICES.] Employees in regional tourism offices who are managerial as defined in section 43A.02, subdivision 28, are in the unclassified civil service. All other employees of the regional tourism offices are in the classified service.

Subd. 5. [RULES.] The commissioner may adopt rules under chapter 14 as necessary to carry out the commissioner's duties and responsibilities under this chapter.

Sec. 9. [116Q.04] [SALES OF PAMPHLETS AND PUBLICATIONS; FEES; ADVERTISING.]

Subdivision 1. [SALE OF PUBLICATIONS.] The commissioner may sell reports, publications, or related publicity or promotional material of the department that the commissioner determines should not be supplied gratis to those who wish to employ them in the conduct of their business.

Subd. 2. [FEES.] Fees for reports, publications, or related publicity or promotional material are not subject to the rulemaking requirements of chapter 14 and are not subject to sections 16A.128 and 16A.1281. The fees prescribed by the commissioner must be commensurate with the distribution objective of the department for the material produced or with the cost of furnishing the services. All fees for materials and services must be deposited in the general fund.

Subd. 3. [ADVERTISING.] Department publications may contain advertising and may receive advertising revenue from profit and nonprofit organizations, associations, individuals, and corporations, and other state, federal, or local government agencies. Advertising revenues shall be deposited in the general fund. The commissioner shall set advertising rates and fees commensurate with services rendered and distribution objectives.

Sec. 10. [116Q.05] [PROMOTIONAL EXPENSES.]

In the promotion of tourism, the commissioner may expend money appropriated by the legislature for these purposes in the same manner as private persons, firms, corporations, and associations make expenditures for these purposes. An expenditure for food,

lodging, or travel is not governed by the travel rules of the commissioner of employee relations. No money shall be expended for the appearance in radio or television broadcasts by an elected public official.

Sec. 11. [116Q.06] [IMPREST FUNDS; USE.]

The commissioner may use the money in the imprest fund of the department to facilitate and expedite its business particularly in the making of advances of money to officers and employees of the department and members of the advisory committee for the purpose of defraying the expenses of travel, subsistence, and other similar expenses, and in meeting emergencies, and according to requirements prescribed by the commissioner of finance. The imprest fund shall be reimbursed for all money advanced in the manner prescribed by the rules of the commissioner of administration.

Sec. 12. Minnesota Statutes 1988, section 301A.01, subdivision 1, is amended to read:

Subdivision 1. For the purposes of sections 301A.01 to 301A.14, the commissioner of energy and economic development tourism of the state shall divide the state into six tourist regions and shall keep on file in the commissioner's office and in the office of the secretary of state the legal descriptions and a map of the regions.

Sec. 13. [REPEALER.]

Minnesota Statutes 1988, sections 116J.58, subdivision 3; and 116J.615, are repealed.

Sec. 14. [APPROPRIATION.]

\$ . . . . . is appropriated from the general fund to the commissioner of tourism to administer sections 1 to 12, to be available until June 30, 1991."

Delete the title and insert:

"A bill for an act relating to tourism; creating a department of tourism; transferring duties and powers from the department of trade and economic development to the department of tourism; appropriating money; amending Minnesota Statutes 1988, sections 15.06, subdivision 1; 15A.081, subdivision 1; 116J.01, subdivision 3; 116J.58, subdivision 2; 116J.60; 301A.01, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 116Q; repealing Minnesota Statutes 1988, sections 116J.58, subdivision 3; and 116J.615."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations:

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 529, A bill for an act relating to local government; permitting cities and towns to contribute to certain hospitals; proposing coding for new law in Minnesota Statutes, chapter 465.

Reported the same back with the following amendments:

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 1988, section 376.09, is amended to read:

376.09 [AID TO HOSPITALS IN COUNTIES HAVING NO COUNTY HOSPITAL.]

In any county in which there is no county hospital, the county board may appropriate and pay money from the general fund of the county, for the construction and, maintenance, and operation of a private, nonprofit, or public hospital in the county for the treatment of sick, diseased, and injured persons. Admission preference shall always be given to patients who are, in whole or in part, public charges, and are sent to the hospital by the county board."

Page 1, line 6, delete "Section 1" and insert "Sec. 2"

Page 1, line 10, before the period insert "upon the affirmative vote of the town electors at the annual or a special town meeting"

Amend the title as follows:

Page 1, line 2, after "permitting" insert "counties," and after "cities" insert a comma

Page 1, line 3, after the semicolon insert "amending Minnesota Statutes 1988, section 376.09;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Health and Human Services.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 553, A bill for an act relating to Olmsted county; exempting the county from operation of a public morgue.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 622, A bill for an act relating to consumer protection; providing for enhanced civil penalties for deceptive acts targeted at senior citizens or vulnerable adults; providing factors a court may consider in determining to impose an enhanced civil penalty; providing that sums collected must be credited to the account of the state board on aging; amending Minnesota Statutes 1988, section 256.975, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 325F.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 655, A bill for an act relating to state lands; authorizing sale of certain tax-forfeited lands that border public waters in Anoka county.

Reported the same back with the following amendments:

Page 1, line 15, after the period insert "For the land described in paragraph (c), clauses (3), (8), and (9), the deed issued by the commissioner of revenue must be subject to conservation easements."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 664, A bill for an act relating to local government; providing for the appointment of certain employees of the city of Minneapolis and special school district No. 1; amending Laws 1969, chapter 937, section 1, subdivision 9, as amended.

Reported the same back with the following amendments:

Page 2, after line 27, insert:

“(33) Assistant intergovernmental policy analyst.”

Page 2, line 28, delete “(33)” and insert “(34)”

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 692, A bill for an act relating to state government; state employees; permitting direct deposit of pay in credit unions; amending Minnesota Statutes 1988, section 16A.133, subdivision 1; repealing Minnesota Statutes 1988, section 16A.133, subdivision 3.

Reported the same back with the following amendments:

Page 1, line 10, strike “CREDIT UNION; ORGANIZATION; COMPANY” and insert “PAYROLL DIRECT DEPOSIT AND DEDUCTIONS”

Page 1, line 11, before “shall” insert “in the executive, judicial, and legislative branch” and strike “the” and strike “of” and insert “signed by”

Page 1, line 12, after the comma insert “directly”

Page 1, line 13, after “or” insert “financial institution, as defined in section 47.015, designated by the employee. An agency head may, upon written request of an employee,”

Page 1, line 19, after “of” insert “or has accounts with” and after “or” insert “financial institution or”

Page 1, line 21, after “union” insert “or financial institution”

Amend the title as follows:

Page 1, line 3, after "unions" insert "and financial institutions"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 481, 553 and 664 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. No. 300 was read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Dorn, Cooper, Ostrom and Girard introduced:

H. F. No. 1009, A bill for an act relating to vocational rehabilitation; changing term "extended employment plan participants" to "workers"; amending Minnesota Statutes 1988, section 129A.08, subdivision 4.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Johnson, V.; Pelowski and Carlson, D., introduced:

H. F. No. 1010, A bill for an act relating to taxation; property taxation; allowing counties a special levy for certain veterans service officer expenses; amending Minnesota Statutes 1988, sections 197.60, subdivision 4; and 275.50, subdivision 5.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

O'Connor and Simoneau introduced:

H. F. No. 1011, A bill for an act relating to animals; granting certain powers to animal control officers; amending Minnesota Statutes 1988, section 343.29, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Milbert, Hartle, Blatz, Jennings and Osthoff introduced:

H. F. No. 1012, A bill for an act relating to counties; making explicit that the laws and rules that pertain to deputy registrars of motor vehicles also apply to county license bureaus; amending Minnesota Statutes 1988, section 373.35, subdivision 1.

The bill was read for the first time and referred to the Committee on Transportation.

Osthoff, Battaglia, Anderson, G., and Abrams introduced:

H. F. No. 1013, A bill for an act relating to courts; prohibiting court reporters from charging certain fees; amending Minnesota Statutes 1988, section 486.06.

The bill was read for the first time and referred to the Committee on Judiciary.

Peterson, Ogren, Bishop and Orenstein introduced:

H. F. No. 1014, A bill for an act relating to mechanics' liens; allowing owner to request statement of actual charges; requiring subcontractor to make good faith estimate of charges; amending Minnesota Statutes 1988, section 514.011, subdivision 2.

The bill was read for the first time and referred to the Committee on Commerce.

Knickerbocker, Kostohryz and Scheid introduced:

H. F. No. 1015, A bill for an act relating to the legislature; reducing the size of the legislature as of the next apportionment; amending Minnesota Statutes 1988, sections 2.021; and 2.031, subdivision 1.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Morrison, Kelly, Vellenga, Boo and Kalis introduced:

H. F. No. 1016, A bill for an act relating to juvenile justice; eliminating juvenile court jurisdiction over children alleged to be aggravated DWI offenders; authorizing the juvenile court to place juvenile alcohol or controlled substance offenders on probation; authorizing the juvenile court to require the commissioner of public safety to revoke the driver's license or permit of habitual petty offenders or to deny driving privileges to them if they do not have a license or permit; amending Minnesota Statutes 1988, sections 171.04; 260.111, by adding a subdivision; 260.115, subdivision 1; 260.121, subdivision 3; 260.193, subdivision 1, and by adding a subdivision; and 260.195, subdivision 3, and by adding subdivisions.

The bill was read for the first time and referred to the Committee on Judiciary.

Jaros and Rukavina introduced:

H. F. No. 1017, A bill for an act relating to retirement; Minnesota state retirement system; providing for the determination of annuities for certain former members who are entitled to combined service annuities and who retire before age 65; amending Minnesota Statutes 1988, section 352.116, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Stanius, Jennings, Swenson, Limmer and Girard introduced:

H. F. No. 1018, A bill for an act relating to children; controlled substances; requiring reporting of newborns with signs of controlled substance exposure; limiting liability of medical personnel administering toxicology tests on newborns; amending Minnesota Statutes 1988, section 626.556, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 626.

The bill was read for the first time and referred to the Committee on Judiciary.

Waltman, Rest, Seaberg and Vellenga introduced:

H. F. No. 1019, A bill for an act relating to children; termination of parental rights; allowing grandparents to participate in proceedings in certain circumstances; amending Minnesota Statutes 1988, section 260.231, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

Jennings, Gruenes, Neuenschwander and Stanius introduced:

H. F. No. 1020, A bill for an act relating to human services; providing for administrative fraud disqualification hearings; providing a requirement for monthly reporting by all assistance units; providing for the disqualification from the public assistance programs for those found guilty of wrongfully obtaining public assistance by a court or in an administrative hearing; providing for subpoenas for obtaining documents; establishing a perjury penalty for a knowingly and willfully false statement made to obtain or retain public assistance; requiring county boards to assume responsibility for investigating alleged welfare fraud; providing for expanded control of the federal food stamp program; providing staff; appropriating money; amending Minnesota Statutes 1988, sections 256.045, subdivision 3; 256.73, subdivision 6; 256.863; 256.98, subdivision 1, and by adding subdivisions; 256D.05, subdivision 2; and 393.07, subdivision 10; repealing Minnesota Statutes 1988, section 256.019.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Jennings, Olson, E., and Lasley introduced:

H. F. No. 1021, A bill for an act relating to agriculture; establishing an agricultural liming material law; appropriating money; prescribing penalties; amending Minnesota Statutes 1988, section 17.7242, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 17; repealing Minnesota Statutes 1988, sections 17.7241; 17.7244; and 17.7246.

The bill was read for the first time and referred to the Committee on Agriculture.

Pauly; Wagenius; Murphy; Johnson, A., and Morrison introduced:

H. F. No. 1022, A bill for an act relating to environment; requiring the state board of education to require school districts to recycle paper; proposing coding for new law in Minnesota Statutes, chapter 121.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Winter, Cooper, Frederick, Dauner and Steensma introduced:

H. F. No. 1023, A bill for an act relating to agriculture; changing the agricultural land preservation law; amending Minnesota Statutes 1988, sections 40A.02, subdivision 10; 40A.04, subdivision 1; 40A.10; 40A.11, subdivision 4; 40A.17; and 273.119; proposing coding for new law in Minnesota Statutes, chapter 40A; repealing Minnesota Statutes 1988, section 40A.123, subdivision 3.

The bill was read for the first time and referred to the Committee on Agriculture.

Trimble, McEachern and Jaros introduced:

H. F. No. 1024, A bill for an act relating to education; providing for notice of vacancies on the board of regents of the University of Minnesota; requiring use of the open appointments process; amending Minnesota Statutes 1988, section 137.0245, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 137.

The bill was read for the first time and referred to the Committee on Education.

Trimble, McGuire, Rukavina and Johnson, R., introduced:

H. F. No. 1025, A bill for an act relating to the environment; requiring labeling of CFC-processed materials and materials containing CFC's; restricting use of CFC's unless approved; requiring recovery of CFC's from refrigeration units; imposing a tax on raw CFC; providing penalties; amending Minnesota Statutes 1988, sections 116.70, subdivision 2; and 116.74; proposing coding for new law in Minnesota Statutes, chapter 116.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Swenson, McEachern, Ozment, Schafer and Tunheim introduced:

H. F. No. 1026, A bill for an act relating to education; modifying the tuition reimbursement provisions for the post-secondary enrollment options program; appropriating money; amending Minnesota Statutes 1988, section 123.3514, subdivision 6.

The bill was read for the first time and referred to the Committee on Education.

Janezich, Sarna, Simoneau, Kalis and Knickerbocker introduced:

H. F. No. 1027, A bill for an act relating to state employees; authorizing the department of transportation to permit the donation of vacation time for unreimbursed medical expenses; proposing coding for new law in Minnesota Statutes, chapter 174.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Trimble, Pelowski, Scheid and McEachern introduced:

H. F. No. 1028, A bill for an act relating to education; restricting athletic participation under the enrollment options program; amending Minnesota Statutes 1988, section 120.062, subdivision 6.

The bill was read for the first time and referred to the Committee on Education.

Dorn, Frederick, Kalis and Ostrom introduced:

H. F. No. 1029, A bill for an act relating to Blue Earth county; authorizing the county to transfer certain duties.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Pelowski; Price; Johnson, V.; Carlson, L., and Bishop introduced:

H. F. No. 1030, A bill for an act relating to education; appropriating money for lease of space at the College of St. Teresa by Winona State University.

The bill was read for the first time and referred to the Committee on Education.

Dawkins, Clark and Trimble introduced:

H. F. No. 1031, A bill for an act relating to the state's economy; requiring the commissioner of trade and economic development to submit an annual report on the effect of military spending on the state's economy; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116J.

The bill was read for the first time and referred to the Committee on Economic Development.

Bauerly; Nelson, K.; Wagenius; Ozment and Rest introduced:

H. F. No. 1032, A bill for an act relating to education; providing a state aid incentive for class size reductions in kindergarten through grade three and for program improvement; amending Minnesota Statutes 1988, section 124A.22, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 124A.

The bill was read for the first time and referred to the Committee on Education.

Wagenius, Bauerly, McEachern, Seaberg and Kelso introduced:

H. F. No. 1033, A bill for an act relating to education; providing a state aid incentive for class size reductions in kindergarten through grade three and for program improvement; amending Minnesota Statutes 1988, section 124A.22, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 124A.

The bill was read for the first time and referred to the Committee on Education.

Vanasek, Vellenga, Ostrom, Tunheim and Otis introduced:

H. F. No. 1034, A bill for an act relating to education; providing a state aid incentive for class size reductions in kindergarten through grade three and for program improvement; amending Minnesota Statutes 1988, section 124A.22, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 124A.

The bill was read for the first time and referred to the Committee on Education.

Scheid; Bertram; Johnson, R.; Weaver and Trimble introduced:

H. F. No. 1035, A bill for an act relating to education; providing a state aid incentive for class size reductions in kindergarten through grade three and for program improvement; amending Minnesota Statutes 1988, section 124A.22, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 124A.

The bill was read for the first time and referred to the Committee on Education.

Bertram, Sarna, Beard, Redalen and Sviggum introduced:

H. F. No. 1036, A bill for an act relating to unemployment

compensation; simplifying the calculation of benefit years; amending Minnesota Statutes 1988, sections 268.07, subdivision 2; and 268.121.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Dille, Wenzel and Carlson, D., introduced:

H. F. No. 1037, A bill for an act relating to animals; regulating use of certain prescription veterinary drugs; changing certain procedures for licensing veterinarians; amending Minnesota Statutes 1988, section 156.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 156.

The bill was read for the first time and referred to the Committee on Agriculture.

Haukoos, Conway, Frerichs, Reding and Hartle introduced:

H. F. No. 1038, A bill for an act relating to agriculture; exempting certain counties from seed potato standards; amending Minnesota Statutes 1988, section 21.1195.

The bill was read for the first time and referred to the Committee on Agriculture.

Nelson, K.; Hartle; Brown; Schafer and Johnson, A., introduced:

H. F. No. 1039, A bill for an act relating to education; appropriating money for school bus safety programs.

The bill was read for the first time and referred to the Committee on Education.

Olson, E.; Tunheim; Uphus and Winter introduced:

H. F. No. 1040; A bill for an act relating to agriculture; allowing nuisance free, pollution free, aesthetic disposal of solid waste on agricultural land by a person engaged in farming; requiring the pollution control agency to notify the commissioner of agriculture and hold public hearings on rules affecting farming operations; amending Minnesota Statutes 1988, section 116.07, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 17.

The bill was read for the first time and referred to the Committee on Agriculture.

Jennings; Munger; Johnson, R.; Carlson, D., and Ozment introduced:

H. F. No. 1041, A bill for an act relating to the environment; providing an exemption process from the power plant siting requirements for certain generating plants; amending Minnesota Statutes 1988, section 116C.57, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Bertram and Bauerly introduced:

H. F. No. 1042, A bill for an act relating to retirement; amending the definition of income which may be earned without penalty upon resumption of teaching; amending Minnesota Statutes 1988, section 354.44, subdivision 5.

The bill was read for the first time and referred to the Committee on Governmental Operations.

O'Connor, Simoneau and Dawkins introduced:

H. F. No. 1043, A bill for an act relating to animals; changing procedures for disposition of certain unclaimed dogs and cats; imposing a penalty; amending Minnesota Statutes 1988, section 35.71.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

O'Connor and Trimble introduced:

H. F. No. 1044, A bill for an act relating to retirement; providing for proportionate membership and participation of retired police and firefighters in local relief associations; amending Minnesota Statutes 1988, sections 69.26, subdivision 2; and 423A.07.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Johnson, A.; O'Connor; Dorn; Morrison and Williams introduced:

H. F. No. 1045, A bill for an act relating to housing; expanding the Minnesota housing financing agency's shared housing program to include handicapped persons; authorizing the provision of technical

assistance to sponsors; appropriating money; amending Minnesota Statutes 1988, section 462A.05, subdivision 24.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Johnson, A., and Kalis introduced:

H. F. No. 1046, A bill for an act relating to motor vehicles; setting fee for inspection of certain motor vehicles for which salvage certificate of title has been issued; amending Minnesota Statutes 1988, section 168A.152.

The bill was read for the first time and referred to the Committee on Transportation.

Omann, Marsh and Forsythe introduced:

H. F. No. 1047, A bill for an act relating to the legislature; prohibiting the solicitation of funds during legislative sessions; providing certain exceptions; establishing penalties; proposing coding for new law in Minnesota Statutes, chapter 10A.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Dorn, Cooper, Ostrom and Girard introduced:

H. F. No. 1048, A bill for an act relating to vocational rehabilitation; requiring that 51 percent of the members of the board of directors of centers for independent living are persons with disabilities; changing the membership of the Minnesota council for the blind; amending Minnesota Statutes 1988, sections 129A.01, subdivision 9; and 248.10, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Bennett, Seaberg, Wenzel and Milbert introduced:

H. F. No. 1049, A bill for an act relating to transportation; requiring commissioner of transportation to reduce operating assistance to certain transit providers who do not earn revenue from an advertising contract; amending Minnesota Statutes 1988, section 174.24; subdivision 3.

The bill was read for the first time and referred to the Committee on Transportation.

Dille; Anderson, G.; Kalis; Wenzel and Girard introduced:

H. F. No. 1050, A bill for an act relating to agriculture; funding pseudorabies research and pseudorabies control; appropriating money.

The bill was read for the first time and referred to the Committee on Agriculture.

Sviggum, Begich, Heap, Runbeck and Beard introduced:

H. F. No. 1051, A bill for an act relating to workers' compensation; increasing maximum burial expense benefits; providing for certain death benefits; amending Minnesota Statutes 1988, sections 176.111, subdivision 18; and 176.129, subdivision 2.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Bennett, Runbeck, Pellow, Lynch and Stanius introduced:

H. F. No. 1052, A bill for an act relating to transportation; providing for distribution of proceeds from the motor vehicle excise tax; amending Minnesota Statutes 1988, section 297B.09, subdivision 1.

The bill was read for the first time and referred to the Committee on Transportation.

Tompkins, Pugh, Ozment and Seaberg introduced:

H. F. No. 1053, A bill for an act relating to metropolitan watershed management organizations; establishing a time limit for the review of watershed plans; amending Minnesota Statutes 1988, section 473.878, subdivision 7.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Richter, McDonald, Waltman and Macklin introduced:

H. F. No. 1054, A bill for an act relating to groundwater; requiring a study of sustainable agriculture; changing certain pesticide laws;

requiring a pesticide management plan; providing for responses to pesticide and fertilizer incidents; appropriating money; amending Minnesota Statutes 1988, sections 17.73, subdivision 3; 18B.01, subdivisions 12, 21, 23, 26, 31, and by adding subdivisions; 18B.04; 18B.07, subdivisions 2, 4, 5, 6, and 7; 18B.08, subdivisions 1 and 4; 18B.15; 18B.17, subdivision 2; 18B.18; 18B.21; 18B.25, by adding a subdivision; 18B.26, subdivisions 1, 3, 5, and by adding a subdivision; 18B.31, subdivisions 3 and 5; 18B.32, subdivision 2; 18B.33, subdivisions 3 and 7; 18B.34, subdivisions 2 and 5; 18B.36; and 18B.37, subdivisions 1, 2, and 3; proposing coding for new law in Minnesota Statutes, chapters 17 and 18B; repealing Minnesota Statutes 1988, sections 18B.16; and 18B.19.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Cooper; Brown; Nelson, C.; Begich and Ostrom introduced:

H. F. No. 1055, A bill for an act relating to workers' compensation; regulating premium reduction plans; mandating a reduction in premium for employers with good claims experience; providing penalties; amending Minnesota Statutes 1988, section 79.55, by adding subdivisions.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Jacobs, Quinn, Ogren, Bennett and Jennings introduced:

H. F. No. 1056, A bill for an act relating to utilities; regulating noncompetitive and competitive telephone services; amending Minnesota Statutes 1988, sections 237.07; 237.081; 237.295, subdivisions 1 and 2; 237.57, subdivision 1; 237.58, subdivision 1; 237.59, subdivisions 1, 2, 3, and 6; 237.60, subdivisions 1 and 2; 237.62, subdivisions 1 and 2, and by adding a subdivision; 237.63, subdivision 1, and by adding subdivisions; and 237.64, subdivisions 1 and 2; Laws 1987, chapter 340, section 26; proposing coding for new law in Minnesota Statutes, chapter 237; repealing Minnesota Statutes 1988, sections 237.075, subdivision 1a; and 237.081, subdivision 3.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Dempsey, Uphus, Wenzel, Steensma and McDonald introduced:

H. F. No. 1057, A bill for an act relating to agriculture; changing the eligibility for an additional payment and principal reduction in

the family farm security program; amending Minnesota Statutes 1988, section 41.57, subdivision 4.

The bill was read for the first time and referred to the Committee on Agriculture.

Stanius; Olsen, S.; Knickerbocker and Bennett introduced:

H. F. No. 1058, A bill for an act relating to human services; excluding Japanese reparation payments from income and resources for determining eligibility for public assistance programs; amending Minnesota Statutes 1988, sections 256D.03, subdivision 3; 256D.08, subdivision 1; and 256D.37, subdivision 7.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Tompkins, Ozment and McEachern introduced:

H. F. No. 1059, A bill for an act relating to education; approving a maximum effort school loan program capital loan.

The bill was read for the first time and referred to the Committee on Education.

Tompkins, Munger, Weaver, Pelowski and Pellow introduced:

H. F. No. 1060, A bill for an act relating to the environment; prohibiting use of nondegradable packaging unless there are no safe degradable alternatives or at least 25 percent of the nondegradable packaging is being reused or recycled statewide; proposing coding for new law in Minnesota Statutes, chapter 325F.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Ostrom, Ogren and Greenfield introduced:

H. F. No. 1061, A bill for an act relating to state lands; authorizing conveyance of surplus state real property to Leo A. Hoffmann Center, Inc.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Conway, Boo, Bertram, Abrams and Osthoff introduced:

H. F. No. 1062, A bill for an act relating to financial institutions; regulating check settlements; amending Minnesota Statutes 1988, section 48.158.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Seaberg introduced:

H. F. No. 1063, A bill for an act relating to courts; permitting parties in civil actions to electronically record the proceedings; amending Minnesota Statutes 1988, section 484.72, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

Dauner and Nelson, C., introduced:

H. F. No. 1064, A bill for an act relating to appropriations; appropriating funds for replanting of trees.

The bill was read for the first time and referred to the Committee on Agriculture.

Solberg; Anderson, G.; Battaglia; Kelly and Bishop introduced:

H. F. No. 1065, A bill for an act relating to judicial administration; providing for the transfer of referees, judicial officers, court reporters, law clerks, and district administration staff from county to state employment; providing that guardians ad litem are county employees for purposes of tort claims and clarifying tort liability for other court employees; providing for inclusion of the second and fourth judicial districts in the public defender system; providing for appointment of public defenders in the second and fourth judicial districts; authorizing the supreme court to adopt transition rules; appropriating money; amending Minnesota Statutes 1988, sections 3.732, subdivision 1; 43A.02, subdivision 25; 43A.24, subdivision 2; 352.01, subdivision 2b; 353.01, subdivision 2a; 466.01, subdivision 6; 484.545, subdivisions 1, 2, and 3; 484.62; 484.64, subdivision 3; 484.65, subdivisions 3 and 7; 484.68, subdivision 5; 486.05; 486.055; 486.06; 487.08, subdivision 5; and 611.26, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 480 and 611; repealing Minnesota Statutes 1988, sections 383B.63, subdivisions 4 and 5; 486.07; 488A.05; 488A.111; 488A.22; 488A.281; 611.12; and

611.214; and Laws 1975, chapter 258, section 6, subdivisions 1, 3, 4, and 5.

The bill was read for the first time and referred to the Committee on Judiciary.

Pappas, Kelly, Seaberg, Bishop and Greenfield introduced:

H. F. No. 1066, A bill for an act relating to sentencing; requiring certain county advisory boards and the commissioner of corrections to gather data on the capacity and usage of local correctional resources and alternative sentencing programs; requiring the sentencing guidelines commission to assist in the performance of these tasks; requiring the commission to develop nonimprisonment guideline options for legislative consideration; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 244.

The bill was read for the first time and referred to the Committee on Judiciary.

Trimble, Pelowski, Girard and Dorn introduced:

H. F. No. 1067, A bill for an act relating to education; requiring students on all HECB advisory groups; amending Minnesota Statutes 1988, section 136A.02, subdivision 7, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

Pelowski; Dorn; Omann; Johnson, R., and Kelly introduced:

H. F. No. 1068, A bill for an act relating to education; making the minimum wages for student employees of a state university \$5 per hour by the 1991-1992 school year; amending Minnesota Statutes 1988, section 136.11, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

Boo introduced:

H. F. No. 1069, A bill for an act relating to real property; providing that purchaser's right to cancel applies to condominiums created before August 1, 1980; providing that lien on real estate added in expansion of flexible condominiums does not affect existing condominiums; empowering homeowner associations to foreclose assess-

ment liens; amending Minnesota Statutes 1988, sections 515A.1-102; and 515A.2-111; proposing coding for new law as Minnesota Statutes, chapter 515B.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Schreiber, Dempsey, Bishop, Sviggum and Olsen, S., introduced:

H. F. No. 1070, A bill for an act relating to taxation; repealing accelerated payment of June sales tax liability; modifying local government aid payment dates; modifying school aid payment schedules so that 90 percent of aid entitlements are paid in the current year; appropriating money; amending Minnesota Statutes 1988, sections 124.195, subdivisions 7 and 10; 297A.27, subdivision 1; 477A.015; repealing Minnesota Statutes 1988, section 297A.275.

The bill was read for the first time and referred to the Committee on Taxes.

### CONSENT CALENDAR

H. F. No. 343, A bill for an act relating to collection and dissemination of data; defining certain mineral data supplied to the commissioner of natural resources as nonpublic data; proposing coding for new law in Minnesota Statutes, chapter 13.

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	Clark	Haukoos	Krueger	Nelson, C.
Anderson, G.	Conway	Hcap	Lasley	Nelson, K.
Anderson, R.	Cooper	Henry	Lieder	O'Connor
Battaglia	Dauner	Himle	Limmer	Ogren
Bauerly	Dawkins	Hugoson	Long	Olsen, S.
Beard	Dempsey	Janezich	Lynch	Olson, E.
Begich	Dille	Jaros	Macklin	Olson, K.
Bennett	Dorn	Jefferson	Marsh	Omann
Bertram	Forsythe	Johnson, A.	McEachern	Ounen
Bishop	Frederick	Johnson, R.	McGuire	Orenstein
Blatz	Frerichs	Johnson, V.	McLaughlin	Osthoff
Boo	Girard	Kalis	McPherson	Ostrom
Brown	Greenfield	Kelly	Milbert	Otis
Burger	Gruenes	Kelso	Miller	Ozment
Carlson, D.	Gutknecht	Kinkel	Morrison	Pappas
Carlson, L.	Hartle	Knickerbocker	Munger	Pauly
Carruthers	Hasskamp	Kostohryz	Murphy	Pellow

Pelowski	Rice	Seaberg	Swenson	Waltman
Peterson	Richter	Segal	Tjornhom	Weaver
Poppenhagen	Rodosovich	Simoneau	Tompkins	Welle
Price	Rukavina	Skoglund	Trimble	Wenzel
Pugh	Runbeck	Solberg	Tunheim	Williams
Quinn	Sarna	Sparby	Uphus	Winter
Redalen	Schafer	Stanius	Valento	Wynia
Reding	Scheid	Steensma	Vellenga	Spk. Vanasek
Rest	Schreiber	Sviggum	Wagenius	

The bill was passed and its title agreed to.

H. F. No. 424, A bill for an act relating to commerce; unclaimed property; providing for the ownership of metal dies and molds; amending Minnesota Statutes 1988, section 345.20, 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	Frederick	Kostohryz	Onnen	Schreiber
Anderson, G.	Frerichs	Krueger	Orenstein	Seaberg
Anderson, R.	Girard	Lasley	Osthoff	Segal
Battaglia	Greenfield	Lieder	Ostrom	Simoneau
Bauerly	Gruenes	Limmer	Otis	Skoglund
Beard	Gutknecht	Long	Ozment	Solberg
Begich	Hartle	Lynch	Pappas	Sparby
Bennett	Hasskamp	Macklin	Pauly	Stanius
Bertram	Haukoos	Marsh	Pellow	Steensma
Bishop	Heap	McEachern	Pelowski	Sviggum
Blatz	Henry	McGuire	Peterson	Swenson
Boo	Himle	McLaughlin	Poppenhagen	Tjornhom
Brown	Hugoson	McPherson	Price	Tompkins
Burger	Jacobs	Milbert	Pugh	Trimble
Carlson, D.	Janezich	Miller	Quinn	Tunheim
Carlson, L.	Jaros	Morrison	Redalen	Uphus
Carruthers	Jefferson	Munger	Reding	Valento
Clark	Jennings	Murphy	Rest	Vellenga
Conway	Johnson, A.	Nelson, C.	Rice	Wagenius
Cooper	Johnson, R.	Nelson, K.	Richter	Waltman
Dauner	Johnson, V.	O'Connor	Rodosovich	Weaver
Dawkins	Kalis	Ogren	Rukavina	Welle
Dempsey	Kelly	Olsen, S.	Runbeck	Wenzel
Dille	Kelso	Olsen, E.	Sarna	Williams
Dorn	Kinkel	Olson, K.	Schafer	Winter
Forsythe	Knickerbocker	Omann	Scheid	Wynia
				Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 444, A bill for an act relating to data privacy; providing for access to private medical examiner data and other medical data by family members; amending Minnesota Statutes 1988, sections 13.42, subdivision 3; 13.83, subdivision 8; and 144.335, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kostohryz	Orenstein	Seaberg
Anderson, G.	Frerichs	Krueger	Osthoff	Segal
Anderson, R.	Girard	Lasley	Ostrom	Simoneau
Battaglia	Greenfield	Lieder	Otis	Skoglund
Bauerly	Gruenes	Limmer	Ozment	Solberg
Beard	Gutknecht	Long	Pappas	Sparby
Begich	Hartle	Lynch	Pauly	Stanius
Bennett	Hasskamp	Macklin	Pellow	Steensma
Bertram	Haukoos	Marsh	Pelowski	Sviggum
Bishop	Heap	McEachern	Peterson	Swenson
Blatz	Henry	McGuire	Poppenhagen	Tjornhom
Boo	Himle	McPherson	Price	Tompkins
Brown	Hugoson	Milbert	Pugh	Trimble
Burger	Jacobs	Miller	Quinn	Tunheim
Carlson, D.	Janezich	Morrison	Redalen	Uphus
Carlson, L.	Jaros	Munger	Reding	Valento
Carruthers	Jefferson	Murphy	Rest	Vellenga
Clark	Jennings	Nelson, C.	Rice	Wagenius
Conway	Johnson, A.	Nelson, K.	Richter	Waltman
Cooper	Johnson, R.	O'Connor	Rodosovich	Weaver
Dauner	Johnson, V.	Ogren	Rukavina	Welle
Dawkins	Kalis	Olsen, S.	Runbeck	Wenzel
Dempsey	Kelly	Olsen, E.	Sarna	Williams
Dille	Kelso	Olsen, K.	Schafer	Winter
Dorn	Kinkel	Omann	Scheid	Wynia
Forsythe	Knickerbocker	Onnen	Schreiber	Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 578, A bill for an act relating to transportation; granting power to road authorities to mow or till rights-of-way of certain highways; amending Minnesota Statutes 1988, sections 160.232; and 160.27, 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 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Bertram	Carruthers	Dorn	Hartle
Anderson, G.	Bishop	Clark	Forsythe	Hasskamp
Anderson, R.	Blatz	Conway	Frederick	Haukoos
Battaglia	Boo	Cooper	Frerichs	Heap
Bauerly	Brown	Dauner	Girard	Henry
Beard	Burger	Dawkins	Greenfield	Himle
Begich	Carlson, D.	Dempsey	Gruenes	Hugoson
Bennett	Carlson, L.	Dille	Gutknecht	Jacobs

Janezich	Lynch	Omann	Rice	Tjornhom
Jaros	Macklin	Onnen	Richter	Tompkins
Jefferson	Marsh	Orenstein	Rodosovich	Trimble
Jennings	McEachern	Osthoff	Rukavina	Tunheim
Johnson, A.	McGuire	Ostrom	Runbeck	Uphus
Johnson, R.	McLaughlin	Otis	Sarna	Valento
Johnson, V.	McPherson	Ozment	Schafer	Vellenga
Kahn	Milbert	Pappas	Scheid	Wagenius
Kalis	Miller	Pauly	Schreiber	Waltman
Kelly	Morrison	Pellow	Seaberg	Weaver
Kelso	Munger	Pelowski	Segal	Welle
Kinkel	Murphy	Peterson	Simoneau	Wenzel
Knickerbocker	Nelson, C.	Poppenhagen	Skoglund	Williams
Kostohryz	Nelson, K.	Price	Solberg	Winter
Krueger	O'Connor	Pugh	Sparby	Wynia
Lasley	Ogren	Quinn	Stanius	Spk. Vanasek
Lieder	Olsen, S.	Redalen	Steensma	
Limmer	Olson, E.	Reding	Sviggum	
Long	Olson, K.	Rest	Swenson	

The bill was passed and its title agreed to.

### CALENDAR

H. F. No. 148, A bill for an act relating to local government; permitting the counties of Washington and Anoka to establish certain payment procedures.

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	Frederick	Knickerbocker	Omann	Scheid
Anderson, G.	Frerichs	Kostohryz	Onnen	Schreiber
Anderson, R.	Girard	Krueger	Orenstein	Seaberg
Battaglia	Greenfield	Lasley	Osthoff	Segal
Bauerly	Gruenes	Lieder	Ostrom	Simoneau
Beard	Gutknecht	Limmer	Otis	Skoglund
Begich	Hartle	Long	Ozment	Solberg
Bennett	Hasskamp	Lynch	Pappas	Sparby
Bertram	Haukoos	Macklin	Pauly	Stanius
Bishop	Heap	Marsh	Pellow	Steensma
Blatz	Henry	McEachern	Pelowski	Swenson
Boo	Himle	McGuire	Peterson	Tjornhom
Brown	Hugoson	McLaughlin	Poppenhagen	Tompkins
Burger	Jacobs	McPherson	Price	Trimble
Carlson, D.	Janezich	Milbert	Pugh	Tunheim
Carlson, L.	Jaros	Miller	Quinn	Uphus
Carruthers	Jefferson	Morrison	Redalen	Valento
Clark	Jennings	Munger	Reding	Vellenga
Conway	Johnson, A.	Murphy	Rest	Wagenius
Cooper	Johnson, R.	Nelson, C.	Rice	Waltman
Dauner	Johnson, V.	Nelson, K.	Richter	Weaver
Dawkins	Kahn	O'Connor	Rodosovich	Welle
Dempsey	Kalis	Ogren	Rukavina	Wenzel
Dille	Kelly	Olsen, S.	Runbeck	Williams
Dorn	Kelso	Olson, E.	Sarna	Winter
Forsythe	Kinkel	Olson, K.	Schafer	Wynia
				Spk. Vanasek

The bill was passed and its title agreed to.

S. F. No. 204, A bill for an act relating to elections; providing for the removal of certain voter registration cards; amending Minnesota Statutes 1988, section 201.13.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Knickerbocker	Onnen	Seaberg
Anderson, G.	Frerichs	Kostohryz	Orenstein	Segal
Anderson, R.	Girard	Krueger	Osthoff	Simoneau
Battaglia	Greenfield	Lasley	Ostrom	Skoglund
Bauerly	Gruenes	Lieder	Otis	Solberg
Beard	Gutknecht	Limmer	Ozment	Sparby
Begich	Hartle	Lynch	Pappas	Stanius
Bennett	Hasskamp	Macklin	Pauly	Steensma
Bertram	Haukoos	Marsh	Pellow	Swiggum
Bishop	Heap	McEachern	Pelowski	Swenson
Blatz	Henry	McGuire	Peterson	Tjornhom
Boo	Himle	McLaughlin	Poppenhagen	Tompkins
Brown	Hugoson	McPherson	Price	Trimble
Burger	Jacobs	Milbert	Pugh	Tunheim
Carlson, D.	Janezich	Miller	Quinn	Uphus
Carlson, L.	Jaros	Morrison	Redalen	Valento
Carruthers	Jefferson	Munger	Reding	Vellenga
Clark	Jennings	Murphy	Rest	Wagenius
Conway	Johnson, A.	Nelson, C.	Rice	Waltman
Cooper	Johnson, R.	Nelson, K.	Richter	Weaver
Dauner	Johnson, V.	O'Connor	Rodosovich	Welle
Dawkins	Kahn	Ogren	Rukavina	Wenzel
Dempsey	Kalis	Olsen, S.	Runbeck	Williams
Dille	Kelly	Olson, E.	Schafer	Winter
Dorn	Kelso	Olson, K.	Scheid	Wynia
Forsthe	Kinkel	Omann	Schreiber	Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 321, A bill for an act relating to consumer protection; regulating new motor vehicle sales; limiting a dealer's liability due to the manufacturer's failure to repair, refund, or replace nonconforming vehicles; amending Minnesota Statutes 1988, section 325F.665, 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 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kostohryz	Onnen	Schreiber
Anderson, G.	Frerichs	Krueger	Orenstein	Seaberg
Anderson, R.	Girard	Lasley	Osthoff	Segal
Battaglia	Greenfield	Lieder	Ostrom	Simoneau
Bauerly	Gruenes	Limmer	Otis	Skoglund
Beard	Gutknecht	Long	Ozment	Solberg
Begich	Hartle	Lynch	Pappas	Sparby
Bennett	Hasskamp	Macklin	Pauly	Stanius
Bertram	Haukoos	Marsh	Pellow	Steenasma
Bishop	Heap	McEachern	Pelowski	Swiggun
Blatz	Henry	McGuire	Peterson	Swenson
Boo	Himle	McLaughlin	Poppenhagen	Tjornhom
Brown	Hugoson	McPherson	Price	Tompkins
Burger	Jacobs	Milbert	Pugh	Trimble
Carlson, D.	Janezich	Miller	Quinn	Tunheim
Carlson, L.	Jaros	Morrison	Redalen	Uphus
Carruthers	Jefferson	Munger	Reding	Valento
Clark	Jennings	Murphy	Rest	Vellenga
Conway	Johnson, A.	Nelson, C.	Rice	Wagenius
Cooper	Johnson, R.	Nelson, K.	Richter	Waltman
Dauner	Johnson, V.	O'Connor	Rodosovich	Weaver
Dawkins	Kahn	Ogren	Rukavina	Welle
Dempsey	Kalis	Olsen, S.	Runbeck	Wenzel
Dille	Kelso	Olson, E.	Sarna	Williams
Dorn	Kinkel	Olson, K.	Schafer	Winter
Forsythe	Knickerbocker	Omann	Scheid	Wynia
				Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 322, A bill for an act relating to consumer protection; regulating the sale of used motor vehicles; modifying certain definitions; amending Minnesota Statutes 1988, section 325F.662, subdivisions 1 and 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 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Carlson, L.	Gruenes	Johnson, R.	Macklin
Anderson, G.	Carruthers	Gutknecht	Johnson, V.	Marsh
Anderson, R.	Clark	Hartle	Kahn	McEachern
Battaglia	Conway	Hasskamp	Kalis	McGuire
Bauerly	Cooper	Haukoos	Kelly	McLaughlin
Beard	Dauner	Heap	Kelso	McPherson
Begich	Dawkins	Henry	Kinkel	Milbert
Bennett	Dempsey	Himle	Knickerbocker	Miller
Bertram	Dille	Hugoson	Kostohryz	Morrison
Bishop	Dorn	Jacobs	Krueger	Munger
Blatz	Forsythe	Janezich	Lasley	Murphy
Boo	Frederick	Jaros	Lieder	Nelson, C.
Brown	Frerichs	Jefferson	Limmer	Nelson, K.
Burger	Girard	Jennings	Long	O'Connor
Carlson, D.	Greenfield	Johnson, A.	Lynch	Ogren

Olsen, S.	Pellow	Rodosovich	Sparby	Wagenius
Olson, E.	Pelowski	Rukavina	Stanius	Waltman
Olson, K.	Peterson	Runbeck	Steenasma	Weaver
Omann	Poppenhagen	Sarna	Sviggum	Welle
Onnen	Price	Schafer	Swenson	Wenzel
Orenstein	Pugh	Scheid	Tjornhom	Williams
Osthoff	Quinn	Schreiber	Tompkins	Winter
Ostrom	Redalen	Seaberg	Trimble	Wynia
Otis	Reding	Segal	Tunheim	Spk. Vanasek
Ozment	Rest	Simoneau	Uphus	
Pappas	Rice	Skoglund	Valento	
Pauly	Richter	Solberg	Vellenga	

The bill was passed and its title agreed to.

H. F. No. 450, A bill for an act relating to state lands; authorizing additions and deletions from certain state parks; authorizing non-park use of certain state parks; authorizing sale and conveyance of certain state park lands; authorizing acquisition of certain land for road purposes; repealing Minnesota Statutes 1988, section 85.012, subdivision 39.

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 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Knickerbocker	Olson, K.	Scheid
Anderson, G.	Frerichs	Kostohryz	Omann	Schreiber
Anderson, R.	Girard	Krueger	Onnen	Seaberg
Battaglia	Greenfield	Lasley	Orenstein	Segal
Bauerly	Gruenes	Lieder	Osthoff	Simoneau
Beard	Gutknecht	Limmer	Ostrom	Skoglund
Begich	Hartle	Long	Otis	Solberg
Bennett	Hasskamp	Lynch	Ozment	Sparby
Bertram	Haukoos	Macklin	Pappas	Stanius
Bishop	Heap	Marsh	Pauly	Steenasma
Blatz	Henry	McDonald	Pellow	Sviggum
Boo	Himle	McEachern	Pelowski	Swenson
Brown	Hugoson	McGuire	Peterson	Tjornhom
Burger	Jacobs	McLaughlin	Price	Tompkins
Carlson, D.	Janezich	McPherson	Pugh	Trimble
Carlson, L.	Jaros	Milbert	Quinn	Tunheim
Carruthers	Jefferson	Miller	Redalen	Uphus
Clark	Jennings	Morrison	Reding	Valento
Conway	Johnson, A.	Munger	Rest	Vellenga
Cooper	Johnson, R.	Murphy	Rice	Wagenius
Dauner	Johnson, V.	Nelson, C.	Richter	Waltman
Dawkins	Kahn	Nelson, K.	Rodosovich	Weaver
Dempsey	Kalis	O'Connor	Rukavina	Welle
Dille	Kelly	Ogren	Runbeck	Wenzel
Dorn	Kelso	Olsen, S.	Sarna	Williams
Forsythe	Kinkel	Olson, E.	Schafer	Winter
				Wynia
				Spk. Vanasek

Those who voted in the negative were:

Poppenhagen

The bill was passed and its title agreed to.

H. F. No. 508, A bill for an act relating to local government; permitting statutory cities to have seven member councils; amending Minnesota Statutes 1988, sections 412.02, subdivision 1, and by adding a subdivision; 412.021, subdivision 2; 412.191, subdivisions 1 and 2; 412.541, subdivision 4; 412.571, subdivisions 1 and 4; 412.581; and 412.631.

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 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Frichs	Kostohryz	Onan	Schreiber
Anderson, G.	Girard	Krueger	Orenstein	Seaberg
Battaglia	Greenfield	Lasley	Osthoff	Segal
Bauerly	Gruenes	Lieder	Ostrom	Simoneau
Beard	Gutknecht	Limmer	Otis	Skoglund
Begich	Hartle	Long	Ozment	Solberg
Bennett	Hasskamp	Lynch	Pappas	Sparby
Bertram	Haukoos	Macklin	Pauly	Steensma
Bishop	Heap	Marsh	Pellow	Sviggum
Blatz	Henry	McDonald	Pelowski	Swenson
Boo	Himle	McEachern	Peterson	Tjornhom
Brown	Hugoson	McGuire	Poppenhagen	Tompkins
Burger	Jacobs	McLaughlin	Price	Trimble
Carlson, D.	Janezich	McPherson	Pugh	Tunheim
Carlson, L.	Jaros	Miller	Quinn	Uphus
Carruthers	Jefferson	Morrison	Redalen	Valento
Clark	Jennings	Munger	Reding	Vellenga
Conway	Johnson, A.	Murphy	Rest	Wagenius
Cooper	Johnson, R.	Nelson, C.	Rice	Waltman
Dauner	Johnson, V.	Nelson, K.	Richter	Weaver
Dawkins	Kahn	O'Connor	Rodosovich	Welle
Dempsey	Kalis	Ogren	Rukavina	Wenzel
Dille	Kelly	Olsen, S.	Runbeck	Williams
Dorn	Kelso	Olson, E.	Sarna	Winter
Forsythe	Kinkel	Olson, K.	Schafer	Wynia
Frederick	Knickerbocker	Omann	Scheid	Spk. Vanasek

Those who voted in the negative were:

Stanius

The bill was passed and its title agreed to.

H. F. No. 509, A bill for an act relating to the city of St. Peter;

providing for a seven-member municipal hospital board and a nine-member economic development authority.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Krueger	Orenstein	Segal
Anderson, G.	Girard	Lasley	Osthoff	Simoneau
Anderson, R.	Greenfield	Lieder	Ostrom	Skoglund
Battaglia	Gruenes	Limmer	Otis	Solberg
Bauerly	Gutknecht	Long	Ozment	Sparby
Beard	Hartle	Lynch	Pappas	Stanius
Begich	Hasskamp	Macklin	Pauly	Steenasma
Bennett	Haukoos	Marsh	Pellow	Sviggum
Bertram	Heap	McDonald	Pelowski	Swenson
Bishop	Henry	McEachern	Peterson	Tjornhom
Blatz	Himle	McGuire	Poppenhagen	Tompkins
Boo	Hugoson	McLaughlin	Price	Trimble
Brown	Jacobs	McPherson	Pugh	Tunheim
Burger	Janezich	Milbert	Quinn	Uphus
Carlson, D.	Jaros	Miller	Redalen	Valento
Carlson, L.	Jefferson	Morrison	Reding	Vellenga
Carruthers	Jennings	Munger	Rest	Wagenius
Clark	Johnson, A.	Murphy	Rice	Waltman
Conway	Johnson, R.	Nelson, C.	Richter	Weaver
Cooper	Johnson, V.	Nelson, K.	Rodosovich	Welle
Dauner	Kahn	O'Connor	Rukavina	Wenzel
Dawkins	Kalis	Ogren	Runbeck	Williams
Dempsey	Kelly	Olsen, S.	Sarna	Winter
Dille	Kelso	Olson, E.	Schafer	Wynia
Dorn	Kinkel	Olson, K.	Scheid	Spk. Vanasek
Forsythe	Knickerbocker	Omann	Schreiber	
Frederick	Kostohryz	Onnen	Seaberg	

The bill was passed and its title agreed to.

Lieder was excused at 3:30 p.m.

## GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Vanasek in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 58, 112 and 512 were recommended to pass.

H. F. No. 300 was recommended for progress.

H. F. No. 65 was recommended for re-referral to the Committee on Taxes.

H. F. No. 707 was recommended for re-referral to the Committee on Appropriations.

S. F. No. 156, the unofficial engrossment, which it recommended to pass with the following amendment offered by Bishop, Kostohryz, Solberg and McLaughlin:

Page 2, line 23, after "gaming" insert "and obtain a vote of approval for the compact from each of those committees voting separately"

On the motion of Wynia the report of the Committee of the Whole was adopted.

#### ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll call was taken in the Committee of the Whole:

The question was taken on the motion to recommend passage of S. F. No. 156, the unofficial engrossment, as amended, and the roll was called. There were 119 yeas and 10 nays as follows:

Those who voted in the affirmative were:

Abrams	Dille	Kelly	O'Connor	Rice
Anderson, G.	Dorn	Kelso	Ogren	Rodosovich
Anderson, R.	Frederick	Kinkel	Olsen, S.	Rukavina
Battaglia	Frerichs	Knickerbocker	Olson, E.	Runbeck
Bauerly	Greenfield	Kostohryz	Olson, K.	Sarna
Beard	Gruenes	Krueger	Omann	Schafer
Begich	Gutknecht	Lasley	Onnen	Scheid
Bennett	Hartle	Limmer	Orenstein	Schreiber
Bertram	Hasskamp	Long	Osthoff	Segal
Bishop	Heap	Lynch	Ostrom	Simoneau
Blatz	Henry	Macklin	Otis	Skoglund
Boo	Himle	McDonald	Pappas	Solberg
Brown	Jacobs	McEachern	Pauly	Sparby
Carlson, D.	Janezich	McGuire	Pellow	Stanius
Carlson, L.	Jaros	McLaughlin	Pelowski	Steensma
Carruthers	Jefferson	McPherson	Peterson	Sviggum
Clark	Jennings	Milbert	Price	Swenson
Conway	Johnson, A.	Morrison	Pugh	Tjornhom
Cooper	Johnson, R.	Munger	Quinn	Tompkins
Dauner	Johnson, V.	Murphy	Redalen	Trimble
Dawkins	Kahn	Nelson, C.	Reding	Tunheim
Dempsey	Kalis	Nelson, K.	Rest	Uphus

Valento  
VellengaWagenius  
WeaverWenzel  
WilliamsWinter  
Wynia

Spk. Vanasek

Those who voted in the negative were:

Burger  
GirardHugoson  
MarshMiller  
Poppenhagen.Richter  
SeabergWaltman  
Welle

The motion prevailed.

There being no objection, the order of business reverted to Messages from the Senate.

### MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce the adoption by the Senate of the following Senate Concurrent Resolution, herewith transmitted:

Senate Concurrent Resolution No. 4, A senate concurrent resolution relating to adjournment for more than three days.

PATRICK E. FLAHAVEN, Secretary of the Senate

### SUSPENSION OF RULES

Wynia moved that the rules be so far suspended that Senate Concurrent Resolution No. 4 be now considered and be placed upon its adoption. The motion prevailed.

### SENATE CONCURRENT RESOLUTION NO. 4

A senate concurrent resolution relating to adjournment for more than three days.

*Be It Resolved*, by the Senate of the State of Minnesota, the House of Representatives concurring:

1. Upon its adjournment on March 8, 1989, the House of Representatives may set its next day of meeting by motion.
2. The Senate consents to adjournment of the House of Representatives for more than three days.

Wynia moved that Senate Concurrent Resolution No. 4 be now adopted. The motion prevailed and Senate Concurrent Resolution No. 4 was adopted.

### MOTIONS AND RESOLUTIONS

Johnson, V., moved that the name of Waltman be added as an author on H. F. No. 19. The motion prevailed.

Marsh moved that the name of Johnson, R., be added as an author on H. F. No. 31. The motion prevailed.

Tunheim moved that the name of Tjornhom be added as an author on H. F. No. 72. The motion prevailed.

Stanis moved that his name be stricken and the name of Runbeck be added as chief author on H. F. No. 346. The motion prevailed.

Clark moved that the name of Heap be added as an author on H. F. No. 458. The motion prevailed.

Stanis moved that his name be stricken and the name of Runbeck be added as chief author on H. F. No. 830. The motion prevailed.

Vellenga moved that the name of McPherson be added as an author on H. F. No. 877. The motion prevailed.

Wenzel moved that the names of Bauerly and Nelson, C., be added as authors on H. F. No. 878. The motion prevailed.

Gruenes moved that the name of Valento be added as an author on H. F. No. 879. The motion prevailed.

Brown moved that the name of Lynch be added as an author on H. F. No. 892. The motion prevailed.

Carlson, D., moved that the name of Dille be added as an author on H. F. No. 909. The motion prevailed.

Clark moved that the name of Stanis be added as an author on H. F. No. 932. The motion prevailed.

Clark moved that the name of Rukavina be added as an author on H. F. No. 933. The motion prevailed.

Onnen moved that the names of McDonald and Olsen, S., be added as authors on H. F. No. 948. The motion prevailed.

Sparby moved that the name of Johnson, V., be added as an author on H. F. No. 989. The motion prevailed.

Orenstein moved that the name of Weaver be added as an author on H. F. No. 992. The motion prevailed.

Wynia, Vanasek and Schreiber introduced:

House Resolution No. 5, A house resolution congratulating North Dakota, the Peace Garden state, on its Centennial celebration.

#### SUSPENSION OF RULES

Wynia moved that the rules be so far suspended that House Resolution No. 5 be now considered and be placed upon its adoption. The motion prevailed.

#### HOUSE RESOLUTION NO. 5

A house resolution congratulating North Dakota, the Peace Garden state, on its Centennial celebration.

*Whereas*, North Dakota is known as the Peace Garden state, promoting harmony among states and nations; and

*Whereas*, magnificent bison once roamed the fruited plains of North Dakota; and

*Whereas*, North Dakota's motto, "Liberty in union, now and forever, one and inseparable," symbolizes both freedom and the spirit of cooperation enjoyed by its people and government; and

*Whereas*, North Dakota's political roots are rich in populism and it can take great pride in its progressive government; and

*Whereas*, the states of North Dakota and Minnesota share the beautiful and powerful Red River that nourishes the rich soil on which its people have lived for decades; and

*Whereas*, the North Dakota land east of the Missouri River was a part of Minnesota Territory from 1849 to 1858; and

*Whereas*, the people of Minnesota and North Dakota have long shared a bond of friendship and a history of cultural, social, and economic alliances; and

*Whereas, the great Peace Garden state celebrates its 100th anniversary of statehood in 1989 and the state of Minnesota shares in the celebration of this momentous milestone in North Dakota's history; Now, Therefore,*

*Be It Resolved* by the House of Representatives of the State of Minnesota that it honors the state of North Dakota by sending a delegation to the State Capitol, at Bismarck, North Dakota, on March 7, 1989, to personally express its centennial congratulations.

*Be It Further Resolved* that the Chief Clerk of the House of Representatives is directed to prepare an enrolled copy of this resolution, to be authenticated by his signature and that of the Speaker, and that it be presented to the governor of North Dakota.

Wynia moved that House Resolution No. 5 be now adopted. The motion prevailed and House Resolution No. 5 was adopted.

#### ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 2:00 p.m., Wednesday, March 8, 1989. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:00 p.m., Wednesday, March 8, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION—1989

## NINETEENTH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, MARCH 8, 1989

The House of Representatives convened at 2:00 p.m. and was called to order by Robert E. Vanasek, Speaker of the House.

Prayer was offered by the Reverend Dr. Gary Ritner of Central Park United Methodist Church, St. Paul, Minnesota.

The roll was called and the following members were present:

Abrams	Girard	Lasley	Osthoff	Simoneau
Anderson, G.	Greenfield	Lieder	Ostrom	Skoglund
Battaglia	Gruenes	Limmer	Otis	Solberg
Bauerly	Gutknecht	Long	Ozment	Sparby
Beard	Hartle	Lynch	Pappas	Stanius
Begich	Hasskamp	Macklin	Pauly	Steensma
Bennett	Haukoos	Marsh	Pellow	Sviggum
Bertram	Heap	McDonald	Pelowski	Swenson
Bishop	Henry	McEachern	Peterson	Tjornhom
Blatz	Himle	McGuire	Poppenhagen	Tompkins
Boo	Hugoson	McLaughlin	Price	Trimble
Brown	Jacobs	McPherson	Pugh	Tunheim
Burger	Janezich	Milbert	Quinn	Uphus
Carlson, D.	Jaros	Miller	Redalen	Valento
Carlson, L.	Jefferson	Morrison	Reding	Vellenga
Carruthers	Jennings	Munger	Rest	Wagenius
Clark	Johnson, A.	Murphy	Rice	Waltman
Conway	Johnson, R.	Nelson, C.	Richter	Weaver
Cooper	Johnson, V.	Nelson, K.	Rodosovich	Welle
Dauner	Kahn	O'Connor	Rukavina	Wenzel
Dawkins	Kalis	Ogren	Runbeck	Williams
Dempsey	Kelly	Olsen, S.	Sarna	Winter
Dille	Kelso	Olson, E.	Schafer	Wynia
Dorn	Kinkel	Olson, K.	Scheid	Spk. Vanasek
Forsythe	Knickerbocker	Omann	Schreiber	
Frederick	Kostohryz	Onnen	Seaberg	
Frerichs	Krueger	Orenstein	Segal	

A quorum was present.

Anderson, R., and Neuenschwander were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. Rodosovich 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

Pursuant to Rules of the House, printed copies of H. F. Nos. 481, 553 and 664 and S. F. No. 156 have been placed in the members' files.

#### REPORTS OF STANDING COMMITTEES

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 31, A bill for an act relating to natural resources; prohibiting drainage of certain wetlands; amending Minnesota Statutes 1988, section 105.391, subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 105.38, is amended to read:

##### 105.38 [DECLARATION OF POLICY.]

Subdivision 1. [POLICY.] To conserve and use the state's water resources in the best interests of its people, and to promote the public health, safety, and welfare, the policy of the state is as follows:

(a) Subject to existing rights, public waters and wetlands are subject to the control of the state.

(b) The state, to the extent provided by law, shall control the appropriation and use of surface and underground waters of the state.

(c) The state shall control and supervise, so far as practicable, any activity that changes or will change the course, current, or cross-section of public waters or wetlands, including but not limited to the construction, reconstruction, repair, removal, abandonment, the making of any other change, or the transfer of ownership of dams, reservoirs, control structures, and waterway obstructions in public waters or wetlands of the state.

Subd. 2. [FINDINGS; PUBLIC INTEREST.] The legislature finds that it is in the public interest to (a) preserve and enhance the values of wetlands, to minimize the long- and short-term loss or

degradation of wetlands, and to reestablish diminished or drained wetlands in order to conserve surface waters, maintain and improve water quality, preserve wildlife habitat, provide recreational opportunities, reduce runoff, provide for floodwater retention, reduce stream sedimentation, contribute to improved subsurface moisture, enhance the natural beauty of the landscape, and promote comprehensive water management; and (b) avoid direct or indirect support of new construction in wetlands wherever there is a practicable alternative, and where no practicable alternative exists, to appropriately mitigate the adverse impact. This policy must guide the enforcement and administration of all other statutes affecting wetlands unless the statute expressly states otherwise.

Sec. 2. Minnesota Statutes 1988, section 105.391, is amended by adding a subdivision to read:

Subd. 3a. [REPLACEMENT OF WETLANDS.] Additional wetlands of one acre or more classified as types 2, 6, 7, or 8, under United States Fish and Wildlife Service Circular No. 39 (1971 edition), and types 3, 4, and 5 wetlands not inventoried under subdivision 1, must not be drained or filled, wholly or partially, unless replaced by creating wetland areas of equivalent quality, character, and diversity under a mitigation or mining reclamation plan satisfactory to the commissioner.

Sec. 3. Minnesota Statutes 1988, section 105.391, is amended by adding a subdivision to read:

Subd. 3b. [PAYMENTS TO WETLAND OWNERS.] The owner of wetlands that are not drained because of the prohibition in section 2 or 4 may apply for payments under the water bank program in section 105.392.

Sec. 4. Minnesota Statutes 1988, section 106A.701, is amended by adding a subdivision to read:

Subd. 2a. [DRAINING PUBLIC WATERS.] No public ditch may be repaired in such a way as to partially or completely drain a public water inventoried under section 105.391, subdivision 1, except as provided in section 105.391, subdivision 3."

Amend the title as follows:

Page 1, delete line 4, and insert "sections 105.38; 105.391, by adding subdivisions; and 106A.701, by adding a subdivision."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 76, A bill for an act relating to juveniles; prohibiting the detention of juveniles in jails or lockups for longer than 24 hours; providing an exception for juveniles against whom a reference motion is pending; amending Minnesota Statutes 1988, sections 260.171, subdivisions 2 and 4; 260.172, subdivisions 1 and 2; and 260.173, subdivision 4.

Reported the same back with the following amendments:

Page 2, line 6, after the semicolon insert "and"

Page 2, delete lines 7 and 8

Page 2, line 9, delete "(3)" and insert "(2)"

Page 2, after line 10, insert:

"After August 1, 1991, no child described in this paragraph may be detained in an adult jail or municipal lockup longer than 24 hours, excluding Saturdays, Sundays, and holidays, unless the requirements of this paragraph have been met and, in addition, a motion to refer the child for adult prosecution has been made under section 260.125."

Page 2, line 18, after the comma insert "excluding Saturdays, Sundays, and holidays,"

Page 2, line 29, before "secure" insert "juvenile"

Page 3, lines 5, 7, 15, and 20, before "secure" insert "juvenile"

Page 3, line 34, delete everything after "filed"

Page 3, delete line 35

Page 4, after line 16, insert:

"After August 1, 1991, the child's parent, guardian, or custodian shall also be informed under clause (f) that the child may not be detained in an adult jail or municipal lockup longer than 24 hours, excluding Saturdays, Sundays, and holidays, unless a motion to refer the child for adult prosecution has been made within that time period."

Pages 5 and 6, delete section 5 and insert:

"Sec. 5. [EFFECTIVE DATE.]

Sections 1 to 3 are effective August 1, 1989. Section 4 is effective August 1, 1991."

Amend the title as follows:

Page 1, line 4, before the semicolon insert "before a detention hearing is held" and delete everything after the semicolon and insert "prohibiting the detention of juveniles in jails or lockups after August 1, 1991, for longer than 24 hours unless a reference motion has been filed"

Page 1, line 5, delete everything before the semicolon

Page 1, line 6, after the semicolon insert "and"

Page 1, line 7, delete everything after "2" and insert a period

Page 1, delete line 8

With the recommendation that when so amended the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 86, A bill for an act relating to education; authorizing per diem for regents of the University of Minnesota; amending Minnesota Statutes 1988, section 137.024.

Reported the same back with the following amendments:

Page 1, line 14, delete "\$ . . . per day" and insert "a daily payment as provided in section 15.0575"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 101, A bill for an act relating to education; requiring the student member of the board of regents to be a student at the time of election; amending Minnesota Statutes 1988, section 137.023.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 135, A bill for an act relating to juvenile court; clarifying the grounds for terminating parental rights to a child; authorizing the filing of a CHIPS petition when a child is engaging repeatedly in sexually aggressive behavior and the person responsible for the child fails or refuses to intervene; authorizing the detention of chronic runaways in secure custody within a shelter care facility; amending Minnesota Statutes 1988, sections 260.015, subdivision 2a; 260.155, subdivision 4; 260.173, subdivision 3; and 260.221, subdivisions 1 and 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 260.015, subdivision 2a, is amended to read:

Subd. 2a. [CHILD IN NEED OF PROTECTION OR SERVICES.] "Child in need of protection or services" means a child who is in need of protection or services because the child:

- (1) is abandoned or without parent, guardian, or custodian;
- (2) has been a victim of physical or sexual abuse or resides with a victim of domestic child abuse as defined in subdivision 24;
- (3) is without necessary food, clothing, shelter, education, or other required care for the child's physical or mental health or morals because the child's parent, guardian, or custodian is unable or unwilling to provide that care;
- (4) is without the special care made necessary by a physical, mental, or emotional condition because the child's parent, guardian, or custodian is unable or unwilling to provide that care;
- (5) is medically neglected; which includes, but is not limited to, the withholding of medically indicated treatment from a disabled infant with a life-threatening condition. The term "withholding of medically indicated treatment" means the failure to respond to the infant's life-threatening conditions by providing treatment, including appropriate nutrition, hydration, and medication which, in the treating physician's or physicians' reasonable medical judgment,

will be most likely to be effective in ameliorating or correcting all conditions, except that the term does not include the failure to provide treatment other than appropriate nutrition, hydration, or medication to an infant when, in the treating physician's or physicians' reasonable medical judgment:

(i) the infant is chronically and irreversibly comatose;

(ii) the provision of the treatment would merely prolong dying, not be effective in ameliorating or correcting all of the infant's life-threatening conditions, or otherwise be futile in terms of the survival of the infant; or

(iii) the provision of the treatment would be virtually futile in terms of the survival of the infant and the treatment itself under the circumstances would be inhumane;

(6) is one whose parent, guardian, or other custodian for good cause desires to be relieved of the child's care and custody;

(7) has been placed for adoption or care in violation of law;

(8) is without proper parental care because of the emotional, mental, or physical disability, or state of immaturity of the child's parent, guardian, or other custodian;

(9) is one whose occupation, behavior, condition, environment, or associations are such as to be injurious or dangerous to the child or others;

(10) has committed a delinquent act before becoming ten years old;

(11) is a runaway; or

(12) is an habitual truant.

Sec. 2. Minnesota Statutes 1988, section 260.191, subdivision 1, is amended to read:

Subdivision 1. [DISPOSITIONS.] (a) If the court finds that the child is in need of protection or services or neglected and in foster care, it shall enter an order making any of the following dispositions of the case:

(1) place the child under the protective supervision of the county welfare board or child placing agency in the child's own home under conditions prescribed by the court directed to the correction of the child's need for protection or services;

(2) transfer legal custody to one of the following:

(i) a child placing agency; or

(ii) the county welfare board.

In placing a child whose custody has been transferred under this paragraph, the agency and board shall follow the order of preference stated in section 260.181, subdivision 3;

(3) if the child is in need of special treatment and care for reasons of physical or mental health, the court may order the child's parent, guardian, or custodian to provide it. If the parent, guardian, or custodian fails or is unable to provide this treatment or care, the court may order it provided. The court shall not transfer legal custody of the child for the purpose of obtaining special treatment or care solely because the parent or guardian is unable to provide the treatment or care. If the court's order for mental health treatment is based on a diagnosis made by a treatment professional, the court may order that the diagnosing professional not provide the treatment to the child if it finds that such an order is in the child's best interests; or

(4) if the court believes that the child has sufficient maturity and judgment and that it is in the best interests of the child, the court may order a child 16 years old or older to be allowed to live independently, either alone or with others as approved by the court under supervision the court considers appropriate, if the county board, after consultation with the court, has specifically authorized this dispositional alternative for a child.

(b) If the child was adjudicated in need of protection or services because the child is a runaway or habitual truant, the court may order any of the following dispositions in addition to or as alternatives to the dispositions authorized under paragraph (a):

(1) counsel the child or the child's parents, guardian, or custodian;

(2) place the child under the supervision of a probation officer or other suitable person in the child's own home under conditions prescribed by the court, including reasonable rules for the child's conduct and the conduct of the parents, guardian, or custodian, designed for the physical, mental, and moral well-being and behavior of the child; or with the consent of the commissioner of corrections, place the child in a group foster care facility which is under the commissioner's management and supervision;

(3) subject to the court's supervision, transfer legal custody of the child to one of the following:

(i) a reputable person of good moral character. No person may receive custody of two or more unrelated children unless licensed to operate a residential program under sections 245A.01 to 245A.16; or

(ii) a county probation officer for placement in a group foster home established under the direction of the juvenile court and licensed pursuant to section 241.021;

(4) require the child to pay a fine of up to \$100. The court shall order payment of the fine in a manner that will not impose undue financial hardship upon the child;

(5) require the child to participate in a community service project;

(6) order the child to undergo a chemical dependency evaluation and, if warranted by the evaluation, order participation by the child in a drug awareness program or an inpatient or outpatient chemical dependency treatment program;

(7) if the court believes that it is in the best interests of the child and of public safety that the child's driver's license be canceled, the court may recommend to the commissioner of public safety that the child's license be canceled for any period up to the child's 18th birthday. The commissioner is authorized to cancel the license without a hearing. At any time before the expiration of the period of cancellation, the court may, for good cause, recommend to the commissioner of public safety that the child be authorized to apply for a new license, and the commissioner may so authorize; or

(8) require the child to perform any other activities or participate in any other treatment programs deemed appropriate by the court.

Sec. 3. Minnesota Statutes 1988, section 260.221, subdivision 1, is amended to read:

Subdivision 1. [VOLUNTARY AND INVOLUNTARY.] The juvenile court may upon petition, terminate all rights of a parent to a child in the following cases:

(a) With the written consent of a parent who for good cause desires to terminate parental rights; or

(b) If it finds that one or more of the following conditions exist:

(1) That the parent has abandoned the child. Abandonment is presumed when:

(i) the parent has had no contact or merely incidental contact with the child for six months in the case of a child under six years of age, or for 12 months in the case of a child ages six to 11; and

(ii) the social service agency has made reasonable efforts to facilitate contact, unless the parent establishes that an extreme financial or physical hardship or treatment for mental disability or chemical dependency or other good cause prevented the parent from making contact with the child. This presumption does not apply to children whose custody has been determined under chapter 257 or 518. The court is not prohibited from finding abandonment in the absence of this presumption; or

(2) That the parent has substantially, continuously, or repeatedly refused or neglected to comply with the duties imposed upon that parent by the parent and child relationship, including but not limited to providing the child with necessary food, clothing, shelter, education, and other care and control necessary for the child's physical, mental, or emotional health and development, if the parent is physically and financially able, and reasonable efforts by the social service agency have failed to correct the conditions that formed the basis of the petition; or

(3) That a parent has been ordered to contribute to the support of the child or financially aid in the child's birth and has continuously failed to do so without good cause. This clause shall not be construed to state a grounds for termination of parental rights of a noncustodial parent if that parent has not been ordered to or cannot financially contribute to the support of the child or aid in the child's birth; or

(4) That a parent is palpably unfit to be a party to the parent and child relationship because of a consistent pattern of specific conduct before the child or of specific conditions directly relating to the parent and child relationship either of which are determined by the court to be of a duration or nature that renders the parent unable, for the reasonably foreseeable future, to care appropriately for the ongoing physical, mental, or emotional needs of the child; or

(5) That following upon a determination of neglect or dependency, or of a child's need for protection or services, reasonable efforts, under the direction of the court, have failed to correct the conditions leading to the determination. It is presumed that reasonable efforts under this clause have failed upon a showing that:

(i) a child under the age of 12 has resided out of the parental home under court order for more than one year following an adjudication of dependency, neglect, need for protection or services under section 260.015, subdivision 2a, clause (1), (2), (6), (8), or (9), or neglected and in foster care, and an order for disposition under section 260.191, including adoption of the case plan required by section 257.071;

(ii) conditions leading to the determination will not be corrected within the reasonably foreseeable future; and

(iii) reasonable efforts have been made by the social service agency to rehabilitate the parent and reunite the family.

This clause does not prohibit the termination of parental rights prior to one year after a child has been placed out of the home; or

(6) That in the case of a child born to a mother who was not married to the child's father when the child was conceived nor when the child was born the person is not entitled to notice of an adoption hearing under section 259.26 and either the person has not filed a notice of intent to retain parental rights under section 259.261 or that the notice has been successfully challenged; or

(7) That the child is neglected and in foster care.

Sec. 4. Minnesota Statutes 1988, section 260.221, subdivision 3, is amended to read:

Subd. 3. [WHEN PRIOR FINDING REQUIRED.] For purposes of subdivision 1, clause (b), no prior judicial finding of dependency, neglect, need for protection or services, or neglected and in foster care is required, except as provided in subdivision 1, clause (b), item (5).

Sec. 5. Minnesota Statutes 1988, section 260.315, is amended to read:

**260.315 [CONTRIBUTING TO NEED FOR PROTECTION OR SERVICES OR DELINQUENCY.]**

Any person who by act, word, or omission encourages, causes, or contributes to the need for protection or services or delinquency of a child, or to a child's status as a juvenile petty offender, is guilty of a misdemeanor. This section does not apply to licensed social service agencies and outreach workers who, while acting within the scope of their professional duties, provide services to runaway children.

Sec. 6. [EFFECTIVE DATE.]

Sections 3 and 4 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to juvenile court; limiting the court's authority to transfer legal custody of a child for the purpose of obtaining special treatment or care; clarifying the grounds for terminating parental rights to a child; clarifying the liability of persons who provide outreach services to runaways; amending Minnesota Statutes 1988, sections 260.015, subdivision 2a; 260.191, subdivision 1; 260.221, subdivisions 1 and 3; and 260.315."

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. 215, A bill for an act relating to game and fish; providing for restitution for wild animals that are illegally killed or injured; providing for civil penalties for wild animals killed or injured; restricting expenditures from restitution to replacement and propagation of wild animals illegally killed or injured; amending Minnesota Statutes 1988, section 97A.065, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 97A.

Reported the same back with the following amendments:

Page 1, line 25, delete “, but are not limited to,”

Page 2, line 12, delete the second “and” and insert a comma and after “species” insert “, and restitution value”

Page 2, line 23, after the first “of” insert “or pleads guilty to”

Page 4, after line 7, insert:

“(c) The commissioner shall report annually to the legislature the amount collected under sections 2 and 3 and the manner in which collections were expended.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 243, A bill for an act relating to the department of revenue; recodifying information and disclosure provisions to increase uniformity of treatment and comply with the data privacy act; amending Minnesota Statutes 1988, sections 60A.17, subdivision 20; 82.27, subdivision 7; 147.091, subdivision 7; 148.10, subdivision 5; 148B.06, subdivision 3; 150A.08, subdivision 9; 171.31; 176.186; 176.231, subdivision 9; 256.978; 270.052; 270.064; 270.66, subdivision 3; 270.72, subdivision 4; 270.73, subdivision 1; 270A.11; 290.081; 290.174; 290.371, subdivision 5; 290.50, subdivision 6; 290.523, subdivision 1; 290.91; 290.92, subdivisions 5a, 17, and 26; 290A.112, subdivision 1; 297A.07; 326.20, subdivision 4; and

469.173, subdivision 5; proposing coding for new law as Minnesota Statutes, chapter 270B; repealing Minnesota Statutes 1988, sections 290.05, subdivision 7; 290.61; 290A.17; 291.48; and 297A.43.

Reported the same back with the following amendments:

Page 7, line 25, delete "disclosing" and insert "copying"

Page 9, line 23, delete "returns or" and insert "pertinent"

Page 9, line 34, delete "returns and"

Page 10, line 5, delete "returns and"

Page 10, after line 11, insert:

"Subd. 3. [EXTENT OF DISCLOSURE.] Data that may be disclosed under this section is limited to the name, address, amount of delinquency, and whether a return has been filed by, an applicant for a license, licensee, or attorney."

Page 11, line 18, after "that" insert "the"

Page 11, line 21, delete the comma and insert "or"

Page 15, line 19, after "action" insert ", other than an action or proceeding in connection with tax administration"

Page 16, delete section 19

Page 16, line 11, after "sections" insert "13.70;"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 18, after "sections" insert "13.70;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 307, A bill for an act relating to agriculture; appropriating funds for the agricultural interpretive center.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Beigich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 331, A bill for an act relating to employment; limiting the employment hours of certain minors during the school year; amending Minnesota Statutes 1988, sections 181A.04, by adding a subdivision; and 181A.12, subdivision 1.

Reported the same back with the following amendments:

Page 1, line 9, delete "17" and insert "18"

Page 2, line 13, delete "17" and insert "18"

With the recommendation that when so amended the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 411, A bill for an act relating to education; appropriating money to the higher education coordinating board for a community service grant program for postsecondary institutions.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 461, A bill for an act relating to crime victims; modifying the limitations provision governing damage actions brought by sexual assault victims; requiring that victims of crimes against the person be informed of the conditions governing the convicted offender's release from confinement and the identity of the corrections agent supervising the offender; requiring that sexual assault victims be notified when the alleged sex offender is released from pretrial detention; amending Minnesota Statutes 1988, sections 541.07; and 611A.06; proposing coding for new law in Minnesota Statutes, chapters 541 and 629.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 541.07, is amended to read:

**541.07 [TWO OR THREE YEAR LIMITATIONS.]**

Except where the uniform commercial code or, this section, section 148A.06, or section 2 otherwise prescribes, the following actions shall be commenced within two years:

(1) For libel, slander, assault, battery, false imprisonment, or other tort, resulting in personal injury, and all actions against physicians, surgeons, dentists, other health care professionals as defined in section 145.61, and veterinarians as defined in chapter 156, hospitals, sanitariums, for malpractice, error, mistake or failure to cure, whether based on contract or tort; provided a counterclaim may be pleaded as a defense to any action for services brought by a physician, surgeon, dentist or other health care professional or veterinarian, hospital or sanitarium, after the limitations herein described notwithstanding it is barred by the provisions of this chapter, if it was the property of the party pleading it at the time it became barred and was not barred at the time the claim sued on originated, but no judgment thereof except for costs can be rendered in favor of the party so pleading it;

(2) Upon a statute for a penalty or forfeiture;

(3) For damages caused by a dam, other than a dam used for commercial purposes; but as against one holding under the preemption or homestead laws, the limitations shall not begin to run until a patent has been issued for the land so damaged;

(4) Against a master for breach of an indenture of apprenticeship; the limitation runs from the expiration of the term of service;

(5) For the recovery of wages or overtime or damages, fees or penalties accruing under any federal or state law respecting the payment of wages or overtime or damages, fees or penalties except, that if the employer fails to submit payroll records by a specified date upon request of the department of labor and industry or if the nonpayment is willful and not the result of mistake or inadvertence, the limitation is three years. (The term "wages" means all remuneration for services or employment, including commissions and bonuses and the cash value of all remuneration in any medium other than cash, where the relationship of master and servant exists and the term "damages," means single, double, or treble damages,

accorded by any statutory cause of action whatsoever and whether or not the relationship of master and servant exists);

(6) For damages caused by the establishment of a street or highway grade or a change in the originally established grade;

(7) For sales or use taxes imposed by the laws of any other state;

(8) Against the person who applies the pesticide for injury or damage to property resulting from the application, but not the manufacture or sale, of a pesticide.

**Sec. 2. [541.0715] [ACTIONS FOR DAMAGES DUE TO SEXUAL ABUSE; SPECIAL PROVISIONS.]**

An action for damages based on personal injury caused by sexual abuse must be commenced, in the case of an intentional tort, within two years, or, in the case of an action for negligence, within six years of the time the plaintiff knew or had reason to know that the injury was caused by the sexual abuse. The plaintiff need not establish which act in a continuous series of sexual abuse acts by the defendant caused the injury. The knowledge of a parent or guardian may not be imputed to a minor. This section does not affect the suspension of the statute of limitations during a period of disability under section 541.15.

As used in this section, "sexual abuse" means conduct described in sections 609.342 to 609.345.

This section applies to an action for damages commenced against a person who caused the plaintiff's personal injury either by (1) committing sexual abuse against the plaintiff, or (2) negligently permitting sexual abuse against the plaintiff to occur.

Sec. 3. Minnesota Statutes 1988, section 611A.03, subdivision 1, is amended to read:

Subdivision 1. [PLEA AGREEMENTS; NOTIFICATION OF VICTIM.] Prior to the entry of the factual basis for a plea pursuant to a plea agreement recommendation, a prosecuting attorney shall make a reasonable and good faith effort to inform the victim of:

(a) The contents of the plea agreement recommendation, including the amount of time recommended for the defendant to serve in jail or prison if the court accepts the agreement; and

(b) The right to be present at the sentencing hearing and to express in writing any objection to the agreement or to the proposed disposition. If the victim is not present when the court considers the recommendation, but has communicated objections to the prosecu-

ing attorney, the prosecuting attorney shall make these objections known to the court.

Sec. 4. Minnesota Statutes 1988, section 611A.06, is amended to read:

611A.06 [RIGHT TO NOTICE OF RELEASE.]

The commissioner of corrections or other custodial authority shall make a good faith effort to notify the victim that the offender is to be released from imprisonment or incarceration, including release on extended furlough and for work release, or released from a facility in which the offender was confined due to incompetency, mental illness, or mental deficiency, or commitment under section 253B.18, prior to the release if the victim has mailed to the commissioner of corrections or to the head of the facility in which the offender is confined a written request for this notice. A written request for notice submitted under this section is private data on individuals as defined in section 13.02, subdivision 12. The notice given to a victim of a crime against a person must include the conditions governing the offender's release, and either the identity of the corrections agent who will be supervising the offender's release or a means to identify the court services agency that will be supervising the offender's release. The commissioner or other custodial authority complies with this section upon mailing the notice of impending release to the victim at the address which the victim has most recently provided to the commissioner or authority in writing. All identifying information regarding the victim, including the victim's request and the notice provided by the commissioner or custodial authority, is classified as private data on individuals as defined in section 13.02, subdivision 12, and is accessible only to the victim.

As used in this section, "crime against the person" means a crime listed in section 611A.031.

Sec. 5. [629.73] [NOTICE TO SEXUAL ASSAULT VICTIM REGARDING RELEASE OF ARRESTED PERSON.]

Subdivision 1. [ORAL NOTICE.] When a person arrested for criminal sexual conduct or attempted criminal sexual conduct is about to be released from pretrial detention, the agency having custody of the arrested person or its designee shall make a reasonable and good faith effort before release to inform orally the victim or, if the victim is incapacitated, the same or next of kin, or if the victim is a minor, the victim's parent or guardian of the following matters:

- (1) the conditions of release, if any;
- (2) the time of release;

(3) the time, date, and place of the next scheduled court appearance of the arrested person and the victim's right to be present at the court appearance; and

(4) the location and telephone number of the area sexual assault program as designated by the commissioner of corrections.

Subd. 2. [WRITTEN NOTICE.] As soon as practicable after the arrested person is released, the agency having custody of the arrested person or its designee must personally deliver or mail to the alleged victim written notice of the information contained in subdivision 1, clauses (2) and (3).

Sec. 6. [EFFECTIVE DATE.]

Sections 1 and 2 are effective the day following final enactment and apply to actions pending on or commenced on or after that date.

Sec. 7. [APPLICATION.]

Notwithstanding any other provision of law, a plaintiff whose claim is otherwise time-barred has until August 1, 1990, to commence a cause of action for damages based on personal injury caused by sexual abuse if the plaintiff proves by a preponderance of the evidence that the plaintiff consulted an attorney to investigate a cause of action for damages based on personal injury caused by sexual abuse within two years of the time the plaintiff knew or had reason to know that the injury was caused by the sexual abuse."

Amend the title as follows:

Page 1, line 11, after the semicolon insert "611A.03, subdivision 1;"

With the recommendation that when so amended the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 498, A bill for an act relating to education; providing for donations to the permanent school fund; amending Minnesota Statutes 1988, sections 84.085 and 124.08.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Environment and Natural Resources.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 590, A bill for an act relating to agriculture; requiring certain disposable waste containers to be degradable; requiring a minimum content of corn starch in certain disposable waste containers; amending Minnesota Statutes 1988, section 325E.045, subdivision 1, and by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 325E.045, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] The definitions in this subdivision apply to this section.

(a) "Degradable" means capable of being decomposed by natural biological processes, including exposure to ultraviolet rays of the sun, within five years after the date of disposal.

(b) "Person" means an individual, partnership, corporation, sole proprietorship, association, or other for-profit or nonprofit organization, including the state and its political subdivisions.

(c) "Polyethylene disposal bag" means a bag made of polyethylene that is used or intended to be used for disposal of mixed municipal solid waste as defined in section 115A.03.

(d) "Polyethylene beverage ring" means a device made of polyethylene that is used or intended to be used to hold beverage bottles or other beverage containers together.

(e) "Public agency" means the state, an office, agency, or institution of the state, a county, a statutory or home rule charter city, a town, a school district, or another special taxing district.

(f) "Yard waste" has the meaning given in section 115A.931, paragraph (b), and includes garden wastes, leaves, lawn cuttings, weeds, and prunings.

Sec. 2. Minnesota Statutes 1988, section 325E.045, is amended by adding a subdivision to read:

Subd. 5. [CRITERIA ESTABLISHED.] The commissioner of agriculture must establish criteria and implement processes to certify that the products required by this section to be degradable:

(1) are degradable under conditions typical of a program or facility for composting or cocomposting; and

(2) contain only food grade components as defined by the United States Food and Drug Administration or are listed as approved for food contact in Code of Federal Regulations, title 21, section 175.300 (1988).

Sec. 3. Minnesota Statutes 1988, section 325E.045, is amended by adding a subdivision to read:

Subd. 6. [DEGRADABLE YARD WASTE BAGS REQUIRED FOR COMPOSTING.] A person may not dispose of yard waste in a facility or program for composting or cocomposting unless the disposal bags are degradable as defined in subdivision 1.

Sec. 4. [EFFECTIVE DATE.]

Section 3 is effective 12 months after the commissioner of agriculture certifies that products meeting the standards of degradability as defined in subdivision 1 are available."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 702, A bill for an act relating to crime; expanding the crime of failure to appear for a criminal court appearance; providing that the county attorney has jurisdiction to prosecute the crime; prescribing penalties; amending Minnesota Statutes 1988, sections 388.051, subdivision 2; and 609.49.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 609.49, is amended to read:

## 609.49 [RELEASE, FAILURE TO APPEAR.]

Subdivision 1. [FELONY OFFENDERS.] Whoever, being a person charged with or convicted of a felony and held in lawful custody therefor, is released from custody, with or without bail or recognizance, on condition that the releasee personally appear when required with respect to such the charge or conviction, and who intentionally fails, without lawful excuse, to so appear when required or surrender within three days thereafter after having been notified that a failure to appear for a court appearance is a criminal offense, is guilty of a crime for failure to appear and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both.

Subd. 2. [GROSS MISDEMEANOR AND MISDEMEANOR OF OFFENDERS.] A person charged with a gross misdemeanor or misdemeanor who intentionally fails to appear in court for trial on the charge after having been notified that a failure to appear for a court appearance is a criminal offense, is guilty of a misdemeanor.

Subd. 3. [AFFIRMATIVE DEFENSE.] If proven by a preponderance of the evidence, it is an affirmative defense to a violation of subdivision 1 or 2 that the person's failure to appear in court as required was due to circumstances beyond the person's control.

Subd. 4. [PROSECUTION.] A violation of this section is prosecuted by the prosecuting authority who was responsible for prosecuting the offense in connection with which the person failed to appear in court.

## Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective August 1, 1989, and applies to crimes for failure to appear committed on or after that date.

Delete the title and insert:

"A bill for an act relating to crime; expanding the crime of failure to appear for a criminal court appearance; specifying the attorney with jurisdiction to prosecute the crime; prescribing penalties; amending Minnesota Statutes 1988, section 609.49."

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 937, A bill for an act relating to commerce; uniform

commercial code; providing a 20-day notice period for certain fixture filings; amending Minnesota Statutes 1988, section 336.9-313.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 76, 101, 135, 331, 461, 702 and 937 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Sparby introduced:

H. F. No. 1071, A bill for an act relating to waste management; requiring a county that enters a contract with the state for the siting and development of a stabilization and containment facility to hold a binding referendum on implementation of the contract; amending Minnesota Statutes 1988, section 115A.191, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Williams, Clark, Otis, Cooper and Dille introduced:

H. F. No. 1072, A bill for an act relating to economic development; establishing the community and neighborhood development organization program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116J.

The bill was read for the first time and referred to the Committee on Economic Development.

Johnson, R.; Simoneau; Knickerbocker; O'Connor and Reding introduced:

H. F. No. 1073, A bill for an act relating to retirement; permitting certain members of public pension plans to select Medicare coverage;

amending Minnesota Statutes 1988, section 355.90, subdivisions 3 and 4.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Segal, Greenfield, Kelly, Orenstein and Abrams introduced:

H. F. No. 1074, A bill for an act relating to education; clarifying the right to be absent from school for religious observances; proposing coding for new law in Minnesota Statutes, chapter 120.

The bill was read for the first time and referred to the Committee on Education.

Trimble, Pelowski, Winter, Omann and Wynia introduced:

H. F. No. 1075, A bill for an act relating to education; requiring the state board of vocational technical education to develop a policy; amending Minnesota Statutes 1988, section 136C.15.

The bill was read for the first time and referred to the Committee on Education.

Kelso, Hugoson, Price and Olson, K., introduced:

H. F. No. 1076, A bill for an act relating to education; providing for regional bargaining; amending Minnesota Statutes 1988, sections 122.541, subdivision 4; 179A.03, subdivisions 2 and 15; 179A.04, subdivision 2; and 179A.20, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 121 and 179A.

The bill was read for the first time and referred to the Committee on Education.

Ostrom introduced:

H. F. No. 1077, A bill for an act relating to state lands; authorizing conveyance of state land to the city of St. Peter.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Vellenga, Simoneau, Segal, Tompkins and Nelson, C., introduced:

H. F. No. 1078, A bill for an act relating to health; clarifying

requirements for licensing consulting psychologists and psychological associates; describing duties of the board of psychology; establishing requirements for the independent practice of psychology; amending Minnesota Statutes 1988, sections 148.88; 148.89; 148.90; 148.91; 148.93; 148.95; 148.96; 148.97; 148.975, subdivisions 1 and 5; 148.976, subdivision 1; and 148.98; proposing coding for new law in Minnesota Statutes, chapter 148; repealing Minnesota Statutes 1988, sections 148.92 and 148.97, subdivision 4.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Orenstein introduced:

H. F. No. 1079, A bill for an act relating to retirement; public employees retirement association; authorizing the purchase of service credit by certain city of St. Paul employees.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Clark, Kahn, Greenfield and Tunheim introduced:

H. F. No. 1080, A bill for an act relating to natural resources; requiring the labeling of paddy-grown wild rice and natural wild rice; establishing an Indian wild rice promotion council; directing the commissioner of natural resources to prescribe 100 wild rice lakes to be certified as organic; providing penalties; appropriating money; amending Minnesota Statutes 1988, sections 30.49; 84.091, subdivision 3; 84.0911, subdivision 3; 84.14, by adding a subdivision; and 84.152, subdivisions 5 and 6; proposing coding for new law in Minnesota Statutes, chapter 30.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Clark, Kelso, Morrison and Reding introduced:

H. F. No. 1081, A bill for an act relating to public health; limiting the sale of certain kinds of products; requiring warning signs; prescribing penalties; amending Minnesota Statutes 1988, sections 145.38, subdivision 1; and 145.39, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 145.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Tunheim introduced:

H. F. No. 1082, A bill for an act relating to education; appropriating money for a joint American Indian teacher education program by independent school district No. 38, Red Lake, and Bemidji State University.

The bill was read for the first time and referred to the Committee on Education.

Tunheim introduced:

H. F. No. 1083, A bill for an act relating to water; directing the commissioner of health to contract for technical assistance for rural water systems; appropriating money.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Greenfield, Welle, Gruenes, Ogren and Murphy introduced:

H. F. No. 1084, A bill for an act relating to human services; establishing requirements for nursing home reimbursement; providing an adjustment factor for allowable, reported, care-related costs; allowing an adjustment of a nursing home's total payment rate; requiring a study; amending Minnesota Statutes 1988, section 256B.431, subdivisions 2b and 2i, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Ogren, Heap, Jefferson, Greenfield and Rodosovich introduced:

H. F. No. 1085, A bill for an act relating to human services; exempting certain nursing homes from other operating cost limits; amending Minnesota Statutes 1988, section 256B.431, subdivision 2b.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Boo introduced:

H. F. No. 1086, A bill for an act relating to human services; increasing asset and income guidelines for spouses of institutionalized medical assistance recipients; proposing coding for new law in Minnesota Statutes, chapter 256B.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Williams introduced:

H. F. No. 1087, A bill for an act relating to education; requiring transportation of eligible pupils to licensed day care facilities; amending Minnesota Statutes 1988, section 124.223.

The bill was read for the first time and referred to the Committee on Education.

Greenfield, Vellenga, Wynia, Forsythe and Kelly introduced:

H. F. No. 1088, A bill for an act relating to corrections; authorizing a grant to support a statewide coalition of sexual assault programs, agencies, and providers; appropriating money.

The bill was read for the first time and referred to the Committee on Judiciary.

McGuire; Valento; Carlson, D.; Kahn and Osthoff introduced:

H. F. No. 1089, A bill for an act relating to capital improvements; appropriating money for a sports facility at Roseville; authorizing sale of state bonds.

The bill was read for the first time and referred to the Committee on Appropriations.

McGuire, Hasskamp, Trimble, Pellow and Abrams introduced:

H. F. No. 1090, A bill for an act relating to consumer protection; regulating landscape application contracts; providing penalties and remedies; proposing coding for new law in Minnesota Statutes, chapter 325F.

The bill was read for the first time and referred to the Committee on Commerce.

Bertram, Haukoos, Kalis, Reding and Johnson, R., introduced:

H. F. No. 1091, A bill for an act relating to retirement; volunteer firefighters; probational members and supplemental benefits; amending Minnesota Statutes 1988, sections 424A.01, subdivision

2; and 424A.10; repealing Minnesota Statutes 1988, section 424A.01, subdivision 3a.

The bill was read for the first time and referred to the Committee on Governmental Operations.

McGuire, by request, introduced:

H. F. No. 1092, A bill for an act relating to environment; providing reciprocal access to courts and administrative agencies for injuries caused by transboundary pollution; proposing coding for new law in Minnesota Statutes, chapter 543.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Tunheim introduced:

H. F. No. 1093, A bill for an act relating to education; appropriating money to the University of Minnesota for a certain kind of crop management specialist and for support of the specialist.

The bill was read for the first time and referred to the Committee on Education.

McGuire, by request, introduced:

H. F. No. 1094, A bill for an act relating to civil actions; providing for the application of statutes of limitations to actions that involve the law of other states; enacting the uniform conflict of laws-limitations act; proposing coding for new law in Minnesota Statutes, chapter 541.

The bill was read for the first time and referred to the Committee on Judiciary.

Jacobs, Wenzel and Quinn introduced:

H. F. No. 1095, A bill for an act relating to taxation; providing an income tax credit for compensation paid for service in the National Guard; amending Minnesota Statutes 1988, section 290.06, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Beard and Begich introduced:

H. F. No. 1096, A bill for an act relating to workers' compensation; recodifying the workers' compensation law in chapter 176; proposing coding for new law as Minnesota Statutes, chapter 176C; repealing Minnesota Statutes 1988, chapter 176.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Gutknecht; Johnson, R.; Stanius; Rukavina and Begich introduced:

H. F. No. 1097, A bill for an act relating to taxation; exempting from taxation the gasoline and special fuel purchased by certain transit systems; amending Minnesota Statutes 1988, sections 296.02, subdivision 1a; and 296.025, subdivision 1a.

The bill was read for the first time and referred to the Committee on Taxes.

Segal, Simoneau and Pappas introduced:

H. F. No. 1098, A bill for an act relating to education; proposing department of education lifelong learning initiatives; appropriating money; amending Minnesota Statutes 1988, sections 124.26, subdivision 1c; 124.26, subdivision 7; and 275.125, subdivision 8; proposing coding for new law in Minnesota Statutes, chapter 124.

The bill was read for the first time and referred to the Committee on Education.

Olsen, S., and Pappas introduced:

H. F. No. 1099, A bill for an act relating to liquor; qualifications for license to sell; amending Minnesota Statutes 1988, section 340A.402.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Carruthers, O'Connor, Quinn, Bishop and Peterson introduced:

H. F. No. 1100, A bill for an act relating to insurance; clarifying the applicability of the antitrust laws to the business of insurance; amending Minnesota Statutes 1988, sections 70A.14, by adding a subdivision; 72A.17; and 72A.29, subdivision 2; proposing coding for

new law in Minnesota Statutes, chapter 72A; repealing Minnesota Statutes 1988, sections 70A.10; 70A.15; and 70A.21, subdivision 2.

The bill was read for the first time and referred to the Committee on Insurance.

Greenfield, Segal, Kahn, Vellenga and Anderson, R., introduced:

H. F. No. 1101, A bill for an act relating to probate; adopting the uniform anatomical gift act (1987); correcting cross-references; amending Minnesota Statutes 1988, sections 65B.44, subdivision 4; 171.07, subdivision 5; and 390.36; proposing coding for new law in Minnesota Statutes, chapter 525; repealing Minnesota Statutes 1988, sections 525.921 to 525.93.

The bill was read for the first time and referred to the Committee on Judiciary.

Kelly, Sviggum, Bishop, Steensma and Gutknecht introduced:

H. F. No. 1102, A bill for an act relating to judges; providing for the election of unopposed incumbent judges by submitting to the voters whether they should succeed themselves; amending Minnesota Statutes 1988, sections 204B.34, subdivision 3; 204B.36, subdivision 4; and 204D.08, subdivision 6; proposing coding for new law in Minnesota Statutes, chapter 204C.

The bill was read for the first time and referred to the Committee on Judiciary.

Greenfield, Segal, Gruenes, Ogren and Clark introduced:

H. F. No. 1103, A bill for an act relating to health; requiring a fee for an application for a home care provider license; authorizing the commissioner to seek injunctive relief and use subpoenas in regulating home care providers; imposing requirements for disclosure of criminal convictions by home care providers; imposing a penalty for providing home care without a license; requiring public members in the mortuary science advisory council; allowing use of a trainee's name in the advertising or title of a funeral establishment; establishing a hearing instrument security fund; establishing a human services occupational account; amending Minnesota Statutes 1988, sections 144A.45, subdivision 2; 144A.46; 149.02; 149.06; and 153A.13, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 144; 144A; 145; and 214; repealing Minnesota Statutes 1988, section 153A.16.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Trimble, Pappas, McGuire and Bennett introduced:

H. F. No. 1104, A bill for an act relating to Ramsey county; increasing the size of the personnel board; permitting the personnel director to issue certain subpoenas; amending Minnesota Statutes 1988, sections 383A.287, subdivision 2; and 383A.294, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Pappas, Trimble and Kalis introduced:

H. F. No. 1105, A bill for an act relating to capital improvements; authorizing the sale of state bonds for the museum of transportation; appropriating money; amending Minnesota Statutes 1988, section 174.50, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

Welle, Peterson, Hasskamp, Bertram and Reding introduced:

H. F. No. 1106, A bill for an act relating to human services; providing for refinancing costs and a refinancing incentive for nursing homes; authorizing the Minnesota housing finance agency to finance nursing homes; appropriating money; amending Minnesota Statutes 1988, sections 256B.431, subdivisions 3f and 3g; 462A.02, by adding a subdivision; 462A.03, subdivisions 7 and 19; 462A.05, by adding a subdivision; 462A.21, by adding a subdivision; and 462A.22, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Jefferson; Osthoff; Clark; Olsen, S., and Williams introduced:

H. F. No. 1107, A bill for an act relating to landlord and tenant; authorizing emergency proceeding for loss of essential services; proposing coding for new law in Minnesota Statutes, chapter 566.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Dille, Wenzel, Steensma, Cooper and Uphus introduced:

H. F. No. 1108, A bill for an act relating to agriculture; repealing a provision that sellers of grain may require that multiple loads delivered within two days be averaged; repealing Minnesota Statutes 1988, section 17B.048.

The bill was read for the first time and referred to the Committee on Agriculture.

Ogren, Welle, Lasley, Anderson, R., and Rodosovich introduced:

H. F. No. 1109, A bill for an act relating to human services; establishing a human services delivery policy for the state of Minnesota; preserving regional treatment centers and formalizing their attachment to catchment areas; extending services of regional treatment centers to the community; monitoring the progress of deinstitutionalized citizens; establishing conditions for deinstitutionalization; requiring expedited development of pilot units of state-operated community services; appropriating money; amending Minnesota Statutes 1988, sections 246.57, subdivision 1; 251.011, by adding a subdivision; 252.50; 253B.16; 253B.17, by adding a subdivision; and 253B.092, subdivisions 1, 1b, 7, 8, and 9; proposing coding for new law in Minnesota Statutes, chapter 252.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Schafer and Onnen introduced:

H. F. No. 1110, A bill for an act relating to health; authorizing community health boards to establish health promotion teams; prescribing duties; authorizing the commissioner of health to fund these teams; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 145A.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Jaros, Munger, Battaglia and Murphy introduced:

H. F. No. 1111, A bill for an act relating to retirement; public employees police and fire retirement fund local relief association consolidation accounts; providing for the establishment of a single local relief consolidation account for all consolidating relief associations located in the municipality; amending Minnesota Statutes 1988, section 353A.09, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Jaros, Munger, Battaglia, Murphy and Boo introduced:

H. F. No. 1112, A bill for an act relating to retirement; public employee police and fire fund local relief association consolidation accounts; indexing benefits to the Minnesota postretirement investment in the event of a local police or fire relief association with insufficient assets to fully fund the reserve requirement; amending Minnesota Statutes 1988, sections 353A.08, subdivisions 1 and 3; 353A.09, subdivisions 1, 2, and 3.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Girard; Anderson, G.; Wenzel; Uphus and Dille introduced:

H. F. No. 1113, A bill for an act relating to motor fuels; abolishing requirement that labeling of gasoline-alcohol blends be placed on dispenser; amending Minnesota Statutes 1988, section 239.79, subdivision 2.

The bill was read for the first time and referred to the Committee on Transportation.

Rodosovich, Otis, Clark, Vellenga and Dille introduced:

H. F. No. 1114, A bill for an act relating to education; creating a pilot program for at-risk youths; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Tompkins, Ozment, Seaberg, Morrison and Milbert introduced:

H. F. No. 1115, A bill for an act relating to Dakota county; permitting the county to pay costs of a morgue; proposing coding for new law in Minnesota Statutes, chapter 383D.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Swenson, Beard, Segal, Stanius and Ogren introduced:

H. F. No. 1116, A bill for an act relating to health; providing

identification cards to persons requiring special diets; exempting persons requiring special diets from public facility prohibitions on outside food and drink; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 145.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Rest, Sarna, Kelly, Forsythe and Milbert introduced:

H. F. No. 1117, A bill for an act relating to occupations and professions; regulating the practice of accountancy; creating standards of care; amending Minnesota Statutes 1988, sections 326.165; 326.20, subdivision 1; 326.211, subdivision 6; and 326.212, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 326.

The bill was read for the first time and referred to the Committee on Commerce.

Sarna, McEachern, Ogren and Beard introduced:

H. F. No. 1118, A bill for an act relating to consumer protection; requiring new motor vehicle damage disclosures; amending Minnesota Statutes 1988, sections 168A.04, subdivisions 1 and 4; and 168A.05, subdivisions 3 and 5; proposing coding for new law in Minnesota Statutes, chapter 325F.

The bill was read for the first time and referred to the Committee on Commerce.

Kinkel introduced:

H. F. No. 1119, A bill for an act relating to education; approving a maximum effort school loan program capital loan.

The bill was read for the first time and referred to the Committee on Education.

Dorn introduced:

H. F. No. 1120, A bill for an act relating to retirement; Mankato fire department relief association; permitting the association to amend its constitution and bylaws to provide for payment of disability benefits to members regardless of whether disabilities arose through the performance of firefighting duties.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Dauner and O'Connor introduced:

H. F. No. 1121, A bill for an act relating to animals; regulating using animals for certain purposes; providing a penalty; amending Minnesota Statutes 1988, sections 343.33; and 343.34.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Dempsey introduced:

H. F. No. 1122, A bill for an act relating to marriage dissolution; regulating child support, maintenance and property settlements; providing for mediation; amending Minnesota Statutes 1988, sections 518.175, subdivision 3, and by adding subdivisions; 518.18; 518.55, by adding a subdivision; 518.551, subdivisions 5 and 6; 518.552, by adding a subdivision; 518.57, by adding a subdivision; 518.619, by adding a subdivision; 518.62; 518.64, subdivision 2, and by adding a subdivision; repealing Minnesota Statutes 1988, sections 518.17, subdivisions 2 and 6; and 518.552, subdivision 3.

The bill was read for the first time and referred to the Committee on Judiciary.

Dempsey introduced:

H. F. No. 1123, A bill for an act relating to marriage dissolution; regulating child custody; providing for shared care of children; regulating support and other obligations of marriage after dissolution; amending Minnesota Statutes 1988, sections 518.003, subdivision 3; 518.005, subdivision 2; 518.03; 518.10; 518.131, subdivisions 1, 2, 3, 6, and 7; 518.155; 518.156; 518.165, subdivisions 1 and 2; 518.166; 518.167, subdivisions 1 and 2; 518.168; 518.17, subdivisions 1, 3, and by adding a subdivision; 518.171, subdivision 6; 518.175; 518.176; 518.177; 518.18; 518.185; 518.552, subdivisions 1 and 2; 518.612; 518.619, subdivisions 1, 3, and 4; and 518.63; proposing coding for new law in Minnesota Statutes, chapter 518; repealing Minnesota Statutes 1988, section 518.17, subdivisions 2 and 6.

The bill was read for the first time and referred to the Committee on Judiciary.

Carruthers and Ogren introduced:

H. F. No. 1124, A bill for an act relating to human services; defining persons with related conditions to include persons with prader-willi syndrome; amending Minnesota Statutes 1988, section 252.27, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Trimble; Pelowski; Nelson, K.; Rest and Weaver introduced:

H. F. No. 1125, A bill for an act relating to education; proposing certain library grants; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 134.

The bill was read for the first time and referred to the Committee on Education.

Pugh, Simoneau, O'Connor and Milbert introduced:

H. F. No. 1126, A bill for an act relating to retirement; West St. Paul police relief association; providing full salary related automatic postretirement adjustments; amending Minnesota Statutes 1988, section 423A.01, subdivision 4; and Laws 1967, chapter 751, section 2, as amended.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Winter and Bishop introduced:

H. F. No. 1127, A bill for an act relating to state parks; regulating the use of metal detectors in state parks; proposing coding for new law in Minnesota Statutes, chapter 85.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Greenfield, Wynia, Segal, Stanius and Clark introduced:

H. F. No. 1128, A bill for an act relating to health; providing for the distribution of maternal and child health block grant funds; amending Minnesota Statutes 1988, section 145.882, subdivisions 1, 3, and 7.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Segal introduced:

H. F. No. 1129, A bill for an act relating to education; establishing a basic revenue formula allowance for fiscal years 1990 and 1991; revising the training and experience revenue formula; amending Minnesota Statutes 1988, section 124A.22, subdivisions 2 and 4.

The bill was read for the first time and referred to the Committee on Education.

Price; McEachern; Carlson, L.; Bauerly and Kelso introduced:

H. F. No. 1130, A bill for an act relating to education; providing for exchanges of education faculty; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Frerichs, Bishop and Gutknecht introduced:

H. F. No. 1131, A bill for an act relating to Olmsted county; authorizing certain appropriations for economic and agricultural development.

The bill was read for the first time and referred to the Committee on Economic Development.

Jaros, Munger, Battaglia, Murphy and Conway introduced:

H. F. No. 1132, A bill for an act relating to the University of Minnesota; assigning certain jobs to bargaining units.

The bill was read for the first time and referred to the Committee on Education.

Schafer introduced:

H. F. No. 1133, A bill for an act relating to capital improvements; creating a legislative building commission; appropriating money; amending Minnesota Statutes 1988, section 16A.11, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 3.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Begich and Simoneau introduced:

H. F. No. 1134, A bill for an act relating to taxation; reducing the premiums tax rate on certain workers' compensation insurance; amending Minnesota Statutes 1988, section 60A.15, subdivision 1.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Kahn, Seaberg, Krueger, Sparby and Kostohryz introduced:

H. F. No. 1135, A bill for an act relating to state government; extending tort claim immunity to the Minnesota zoo; providing for expenditures of money; amending Minnesota Statutes 1988, sections 3.736, subdivision 3; and 85A.02, subdivision 5a.

The bill was read for the first time and referred to the Committee on Judiciary.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 113, A bill for an act relating to local government; granting powers to towns; setting certain procedures; amending Minnesota Statutes 1988, sections 366.01, subdivision 7; 471.193, subdivision 2; 471.345, subdivision 5a; and 505.09, subdivision 1; repealing Minnesota Statutes 1988, section 368.121.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 121, 169, 115, 286 and 363.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 149, 628, 117, 123 and 206.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 121, A bill for an act relating to towns; authorizing town boards to provide for the collection of unpaid service charges; proposing coding for new law in Minnesota Statutes, chapter 366.

The bill was read for the first time.

Dauner moved that S. F. No. 121 and H. F. No. 112, now on the Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 169, A bill for an act relating to motor vehicles; allowing custodial parent of handicapped minor to obtain special license plates for the handicapped; amending Minnesota Statutes 1988, section 168.021, subdivisions 1 and 3.

The bill was read for the first time and referred to the Committee on Transportation.

S. F. No. 115, A bill for an act relating to the military; requiring the adjutant general to furnish flags for certain deceased members of the national guard regardless of their number of years of service; amending Minnesota Statutes 1988, section 192.381.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

S. F. No. 286, A bill for an act relating to the military; clarifying the authority of the adjutant general to establish the pay grade for certain staff positions; amending Minnesota Statutes 1988, section 190.08, subdivision 6.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

S. F. No. 363, A bill for an act relating to human services; clarifying administrative and judicial review procedures; creating new procedures; amending Minnesota Statutes 1988, section 256.045, subdivisions 1, 3, 4, 4a, 5, 6, 7, and 10, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

S. F. No. 149, A bill for an act relating to education; authorizing the Minneapolis school district to pay health insurance premium subsidies more often than annually; amending Minnesota Statutes 1988, section 275.125, subdivision 6h.

The bill was read for the first time and referred to the Committee on Education.

S. F. No. 628, A bill for an act relating to eminent domain; providing for relocation benefits for displaced persons; amending Minnesota Statutes 1988, section 117.52, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 117, A bill for an act relating to human services; modifying the method of applying the requirement that at least 50 percent of new intermediate care beds be used for persons transferred from the regional treatment centers; allowing case managers or the commissioner to carry out screening for home and community-based services; allowing counties to contract for guardianship services in screening for services; amending Minnesota Statutes 1988, sections 252.291, subdivision 2; and 256B.092, subdivision 7.

The bill was read for the first time and referred to the Committee on Health and Human Services.

S. F. No. 123, A bill for an act relating to state government; providing for the establishment of an audit guide task force by the state auditor; amending Minnesota Statutes 1988, section 6.65.

The bill was read for the first time and referred to the Committee on Governmental Operations.

S. F. No. 206, A bill for an act relating to state government; administrative procedures; regulating exempt rules; making certain technical changes; amending Minnesota Statutes 1988, sections 14.40; and 97A.051, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 3; repealing Minnesota Statutes 1988, sections 97A.051, subdivision 3; 144A.10, subdivision 6a; 174.031, subdivision 2; 254B.03, subdivision 6; 254B.04, subdivision 2; 257.357; and 574.262, subdivision 3; Laws 1985, chapter 4, section 8; and Laws 1987, chapter 337, section 128.

The bill was read for the first time and referred to the Committee on Governmental Operations.

### CONSENT CALENDAR

S. F. No. 300, A bill for an act relating to crimes; repealing law regulating dance halls; repealing Minnesota Statutes 1988, sections 624.42 to 624.54.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kostohryz	Omann	Schreiber
Anderson, G.	Frerichs	Krueger	Onnen	Seaberg
Battaglia	Girard	Lasley	Orenstein	Segal
Bauerly	Greenfield	Lieder	Osthoff	Simoneau
Beard	Grueenes	Limmer	Ostrom	Skoglund
Begich	Gutknecht	Long	Otis	Solberg
Bennett	Hartle	Lynch	Pappas	Sparby
Bertram	Hasskamp	Macklin	Pauly	Stanius
Bishop	Haukoos	Marsh	Pellow	Steensma
Blatz	Heap	McDonald	Pelowski	Sviggum
Boo	Henry	McEachern	Peterson	Tompkins
Brown	Himle	McGuire	Poppenhagen	Trimble
Burger	Jacobs	McLaughlin	Price	Tunheim
Carlson, D.	Janezich	McPherson	Pugh	Uphus
Carlson, L.	Jaros	Milbert	Quinn	Valento
Carruthers	Jefferson	Miller	Redalen	Vellenga
Clark	Jennings	Morrison	Reding	Wagenius
Conway	Johnson, A.	Munger	Rest	Waltman
Cooper	Johnson, R.	Murphy	Rice	Weaver
Dauner	Johnson, V.	Nelson, C.	Rodosovich	Welle
Dawkins	Kalis	Nelson, K.	Rukavina	Wenzel
Dempsey	Kelly	Ogren	Runbeck	Williams
Dille	Kelso	Olsen, S.	Sarna	Winter
Dorn	Kinkel	Olson, E.	Schafer	Wynia
Forsythe	Knickerbocker	Olson, K.	Scheid	Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 553, A bill for an act relating to Olmsted county; exempting the county from operation of a public morgue.

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	Frerichs	Krueger	Orenstein	Seaberg
Anderson, G.	Girard	Lasley	Osthoff	Segal
Battaglia	Greenfield	Lieder	Ostrom	Simoneau
Bauerly	Gruenes	Limmer	Otis	Skoglund
Beard	Gutknecht	Long	Ozment	Solberg
Begich	Hartle	Lynch	Pappas	Sparby
Bennett	Hasskamp	Macklin	Pauly	Stanius
Bertram	Haukoos	Marsh	Pellow	Steensma
Bishop	Heap	McDonald	Pelowski	Sviggum
Blatz	Henry	McEachern	Peterson	Swenson
Boo	Himle	McGuire	Poppenhagen	Tompkins
Brown	Jacobs	McLaughlin	Price	Trimble
Burger	Janezich	McPherson	Pugh	Tunheim
Carlson, D.	Jaros	Milbert	Quinn	Uphus
Carlson, L.	Jefferson	Miller	Redalen	Valento
Carruthers	Jennings	Morrison	Reding	Vellenga
Clark	Johnson, A.	Murphy	Rest	Wagenius
Conway	Johnson, R.	Nelson, C.	Rice	Waltman
Cooper	Johnson, V.	Nelson, K.	Richter	Weaver
Dauner	Kahn	O'Connor	Rodosovich	Welle
Dawkins	Kalis	Ogren	Rukavina	Wenzel
Dempsey	Kelly	Olsen, S.	Runbeck	Williams
Dille	Kelso	Olson, E.	Sarna	Winter
Dorn	Kinkel	Olson, K.	Schafer	Spk. Vanasek
Forsythe	Knickerbocker	Omann	Scheid	
Frederick	Kostohryz	Onnen	Schreiber	

The bill was passed and its title agreed to.

## CALENDAR

S. F. No. 156, A bill for an act relating to gambling; authorizing the governor to negotiate a tribal-state compact pursuant to the Indian gaming regulatory act; proposing coding for new law in Minnesota Statutes, chapter 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 128 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Greenfield	Lieder	Ostrom	Simoneau
Anderson, G.	Gruenes	Limmer	Otis	Skoglund
Battaglia	Gutknecht	Long	Ozment	Solberg
Bauerly	Hartle	Lynch	Pappas	Sparby
Beard	Hasskamp	Macklin	Pauly	Stanius
Begich	Haukoos	Marsh	Pellow	Steensma
Bennett	Heap	McDonald	Pelowski	Sviggun
Bertram	Henry	McEachern	Peterson	Swenson
Blatz	Himle	McGuire	Poppenhagen	Tjornhom
Boo	Jacobs	McLaughlin	Price	Tompkins
Burger	Janezich	McPherson	Pugh	Trimble
Carlson, D.	Jaros	Milbert	Quinn	Tunheim
Carlson, L.	Jefferson	Morrison	Redalen	Uphus
Carruthers	Jennings	Munger	Reding	Valento
Clark	Johnson, A.	Murphy	Rest	Vellenga
Conway	Johnson, R.	Nelson, C.	Rice	Wagenius
Cooper	Johnson, V.	Nelson, K.	Richter	Waltman
Dauner	Kahn	O'Connor	Rodosovich	Weaver
Dawkins	Kalis	Ogren	Rukavina	Welle
Dempsey	Kelly	Olsen, S.	Runbeck	Wenzel
Dille	Kelso	Olson, E.	Sarna	Williams
Dorn	Kinkel	Olson, K.	Schafer	Winter
Forsythe	Knickerbocker	Omann	Scheid	Wynia
Frederick	Kostohryz	Onnen	Schreiber	Spk. Vanasek
Frerichs	Krueger	Orenstein	Seaberg	
Girard	Lasley	Osthoff	Segal	

Those who voted in the negative were:

Miller

The bill was passed and its title agreed to.

H. F. No. 58, A bill for an act relating to family law; permitting child support obligors to withdraw from the automatic withholding program; eliminating the provision for expiration of the automatic withholding program; amending Minnesota Statutes 1988, section 518.613, subdivision 4.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Begich	Brown	Clark	Dempsey
Anderson, G.	Bennett	Burger	Conway	Dille
Battaglia	Bertram	Carlson, D.	Cooper	Dorn
Bauerly	Blatz	Carlson, L.	Dauner	Forsythe
Beard	Boo	Carruthers	Dawkins	Frederick

Frerichs	Kelly	Munger	Poppenhagen	Sparby
Girard	Kelso	Murphy	Price	Stanis
Greenfield	Kinkel	Nelson, C.	Pugh	Steensma
Gruenes	Knickerbocker	Nelson, K.	Quinn	Sviggum
Gutknecht	Kostohryz	O'Connor	Redalen	Swenson
Hartle	Krueger	Ogren	Reding	Tjornhom
Hasskamp	Lasley	Olsen, S.	Rest	Tompkins
Haukoos	Lieder	Olson, E.	Rice	Trimble
Heap	Limmer	Olson, K.	Richter	Tunheim
Henry	Long	Omann	Rodosovich	Uphus
Himle	Lynch	Onnen	Rukavina	Valento
Jacobs	Macklin	Orenstein	Runbeck	Vellenga
Janezich	Marsh	Osthoff	Sarna	Wagenius
Jaros	McDonald	Ostrom	Schafer	Waltman
Jefferson	McEachern	Otis	Scheid	Weaver
Jennings	McGuire	Ozment	Schreiber	Welle
Johnson, A.	McLaughlin	Pappas	Seaberg	Wenzel
Johnson, R.	McPherson	Pauly	Segal	Williams
Johnson, V.	Milbert	Pellow	Simoneau	Winter
Kahn	Miller	Pelowski	Skoglund	Wynia
Kalis	Morrison	Peterson	Solberg	Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 512, A bill for an act relating to local government; authorizing towns to require a bond or other security in establishing cartways; amending Minnesota Statutes 1988, section 164.08, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Forsythe	Kelso	O'Connor	Rice
Anderson, G.	Frederick	Kinkel	Ogren	Richter
Battaglia	Frerichs	Knickerbocker	Olsen, S.	Rodosovich
Bauerly	Girard	Kostohryz	Olson, E.	Rukavina
Beard	Greenfield	Krueger	Olson, K.	Runbeck
Begich	Gruenes	Lasley	Omann	Sarna
Bennett	Gutknecht	Lieder	Onnen	Schafer
Bertram	Hartle	Limmer	Orenstein	Scheid
Bishop	Hasskamp	Long	Osthoff	Schreiber
Blatz	Haukoos	Lynch	Ostrom	Seaberg
Boo	Heap	Macklin	Otis	Segal
Brown	Henry	Marsh	Ozment	Skoglund
Burger	Himle	McDonald	Pappas	Solberg
Carlson, D.	Jacobs	McEachern	Pauly	Sparby
Carlson, L.	Janezich	McGuire	Pellow	Stanis
Carruthers	Jaros	McLaughlin	Pelowski	Steensma
Clark	Jefferson	McPherson	Peterson	Sviggum
Conway	Jennings	Milbert	Poppenhagen	Swenson
Cooper	Johnson, A.	Miller	Price	Tjornhom
Dauner	Johnson, R.	Morrison	Pugh	Tompkins
Dawkins	Johnson, V.	Munger	Quinn	Trimble
Dempsey	Kahn	Murphy	Redalen	Tunheim
Dille	Kalis	Nelson, C.	Reding	Uphus
Dorn	Kelly	Nelson, K.	Rest	Valento

Vellenga  
Wagenius

Waltman  
Weaver

Welle  
Wenzel

Williams  
Winter

Wynia  
Spk. Vanasek

The bill was passed and its title agreed to.

### GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Vanasek in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 481 and 664 were recommended to pass.

H. F. No. 300, the first engrossment, which it recommended to pass with the following amendment offered by Dille and Jennings:

Delete section 8

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 6, after the semicolon, insert "and"

Page 1, line 7, delete "and 182.669, subdivision 1;"

On the motion of Wynia the report of the Committee of the Whole was adopted.

#### ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll call was taken in the Committee of the Whole:

Dille and Jennings moved to amend H. F. No. 300, the first engrossment, as follows:

Delete section 8

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 6, after the semicolon, insert "and"

Page 1, line 7, delete "and 182.669, subdivision 1,"

The question was taken on the Dille and Jennings amendment and the roll was called. There were 78 yeas and 48 nays as follows:

Those who voted in the affirmative were:

Abrams	Forsythe	Kinkel	Omann	Solberg
Anderson, G.	Frederick	Knickerbocker	Onnen	Sparby
Bauerly	Frerichs	Krueger	Osthoff	Stanius
Bennett	Girard	Lieder	Ostrom	Sviggum
Bertram	Gruenes	Lynch	Ozment	Swenson
Bishop	Gutknecht	Macklin	Pauly	Tjornhom
Blatz	Hartle	Marsh	Pellow	Tompkins
Boo	Hasskamp	McDonald	Pelowski	Tunheim
Brown	Haukoos	McGuire	Poppenhagen	Uphus
Burger	Heap	McPherson	Pugh	Valento
Carlson, D.	Himle	Milbert	Redalen	Waltman
Cooper	Hugoson	Miller	Richter	Weaver
Dauner	Jennings	Morrison	Runbeck	Welle
Dempsey	Johnson, V.	Nelson, C.	Schafer	Winter
Dille	Kalis	Olsen, S.	Schreiber	
Dorn	Kelso	Olson, E.	Seaberg	

Those who voted in the negative were:

Battaglia	Janezich	McLaughlin	Peterson	Simoneau
Beard	Johnson, A.	Munger	Price	Skoglund
Begich	Johnson, R.	Murphy	Quinn	Trimble
Carlson, L.	Kahn	Nelson, K.	Reding	Vellenga
Carruthers	Kelly	O'Connor	Rest	Wagenius
Clark	Kostohryz	Ogren	Rice	Wenzel
Conway	Lasley	Olson, K.	Rodosovich	Wynia
Dawkins	Limmer	Orenstein	Sarna	Spk. Vanasek
Greenfield	Long	Otis	Scheid	
Jacobs	McEachern	Pappas	Segal	

The motion prevailed and the amendment was adopted.

## MOTIONS AND RESOLUTIONS

Olsen, S., moved that the name of Waltman be added as an author on H. F. No. 62. The motion prevailed.

Orenstein moved that the name of Henry be added as an author on H. F. No. 537. The motion prevailed.

Wenzel moved that the names of McDonald and Winter be added as authors on H. F. No. 878. The motion prevailed.

Onnen moved that the names of Jennings and Valento be added as authors on H. F. No. 948. The motion prevailed.

Waltman moved that the name of Valento be added as an author on H. F. No. 1019. The motion prevailed.

Trimble moved that the name of Lynch be added as an author on H. F. No. 1025. The motion prevailed.

Wagenius moved that the name of Bauerly be stricken and the name of Bennett be added as an author on H. F. No. 1033. The motion prevailed.

Dille moved that the name of Kahn be added as an author on H. F. No. 1037. The motion prevailed.

O'Connor moved that the name of Dawkins be added as an author on H. F. No. 1044. The motion prevailed.

Omann moved that the name of Jennings be added as an author on H. F. No. 1047. The motion prevailed.

Dorn moved that the name of Segal be added as an author on H. F. No. 1048. The motion prevailed.

Tompkins moved that the name of Macklin be added as an author on H. F. No. 1053. The motion prevailed.

Stanius moved that the name of Morrison be added as an author on H. F. No. 1058. The motion prevailed.

Seaberg moved that the name of Henry be added as an author on H. F. No. 1063. The motion prevailed.

#### ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 2:30 p.m., Monday, March 13, 1989. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Monday, March 13, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

STATE OF MINNESOTA

SEVENTY-SIXTH SESSION — 1989

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TWENTIETH DAY

SAINT PAUL, MINNESOTA, THURSDAY, MARCH 9, 1989

The Senate met on Thursday, March 9, 1989, which was the Twentieth Legislative Day of the Seventy-sixth Session of the Minnesota State Legislature. The House of Representatives did not meet on this date.



## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION—1989

## TWENTY-FIRST DAY

SAINT PAUL, MINNESOTA, MONDAY, MARCH 13, 1989

The House of Representatives convened at 2:30 p.m. and was called to order by Robert E. Vanasek, Speaker of the House.

Prayer was offered by the Reverend Delton Krueger, the Program Director of the Minnesota United Methodist Conference, Bloomington, Minnesota.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Abrams	Frerichs	Krueger	Orenstein	Segal
Anderson, G.	Girard	Lasley	Osthoff	Simoneau
Anderson, R.	Greenfield	Lieder	Ostrom	Skoglund
Battaglia	Gruenes	Limmer	Otis	Solberg
Bauerly	Gutknecht	Long	Ozment	Sparby
Beard	Hartle	Lynch	Pappas	Stanius
Begich	Hasskamp	Macklin	Pauly	Steensma
Bennett	Haukoos	Marsh	Pellow	Sviggum
Bertram	Heap	McDonald	Pelowski	Swenson
Bishop	Henry	McEachern	Peterson	Tjornhom
Blatz	Himle	McGuire	Poppenhagen	Tompkins
Boo	Hugoson	McLaughlin	Price	Trimble
Brown	Jacobs	McPherson	Pugh	Tunheim
Burger	Janezich	Milbert	Quinn	Uphus
Carlson, D.	Jaros	Miller	Redalen	Valento
Carlson, L.	Jefferson	Morrison	Reding	Vellenga
Carruthers	Jennings	Munger	Rest	Wagenius
Clark	Johnson, A.	Murphy	Rice	Waltman
Conway	Johnson, R.	Nelson, C.	Richter	Weaver
Cooper	Johnson, V.	Neuenschwander	Rodosovich	Welle
Dauner	Kahn	O'Connor	Rukavina	Wenzel
Dawkins	Kalis	Ogren	Runbeck	Williams
Dempsey	Kelly	Olsen, S.	Sarna	Winter
Dille	Kelso	Olson, E.	Schafer	Wynia
Dorn	Kinkel	Olson, K.	Scheid	Spk. Vanasek
Forsythe	Knickerbocker	Omann	Schreiber	
Frederick	Kostohryz	Onnen	Seaberg	

A quorum was present.

Nelson, K., was excused.

The Chief Clerk proceeded to read the Journals of the preceding days. Otis moved that further reading of the Journals be dispensed with and that the Journals be approved as corrected by the Chief Clerk. The motion prevailed.

#### REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 101, 937, 76, 135, 331, 461, 702 and 300 and S. F. Nos. 117, 123, 206, 149, 628, 169, 115, 121, 286 and 363 have been placed in the members' files.

S. F. No. 121 and H. F. No. 112, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Dauner moved that S. F. No. 121 be substituted for H. F. No. 112 and that the House File be indefinitely postponed. The motion prevailed.

#### PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
ST. PAUL 55155

January 30, 1989

The Honorable Robert E. Vanasek  
Speaker of the House of Representatives  
The State of Minnesota

Dear Sir:

The following appointment to the Ethical Practices Board is hereby respectfully submitted to the House for confirmation as required by law:

William Heaney, 414 Nicollet Mall, Minneapolis, Hennepin County, has been appointed by me, effective January 30, 1989, for a term expiring the first Monday in January, 1993.

Sincerely yours,

RUBY PERPICH  
Governor

The communication relating to the State Ethical Practices Board was referred to the Committee on General Legislation, Veterans Affairs and Gaming.

STATE OF MINNESOTA  
OFFICE OF THE SECRETARY OF STATE  
ST. PAUL 55155

The Honorable Robert E. Vanasek  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1989 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F.</i>	<i>H.F.</i>	<i>Session Laws</i>	<i>Date Approved</i>	<i>Date Filed</i>
<i>No.</i>	<i>No.</i>	<i>Chapter No.</i>	<i>1989</i>	<i>1989</i>
28		3	11:36-March 3	March 3
171		4	9:10-March 3	March 3

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

### REPORTS OF STANDING COMMITTEES

McEachern from the Committee on Education to which was referred:

H. F. No. 51, A bill for an act relating to education; approving a maximum effort school loan program capital loan.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 124.477, is amended to read:

124.477 [BOND ISSUE; MAXIMUM EFFORT SCHOOL LOANS; 1988.]

To provide money to be loaned to school districts as agencies and political subdivisions of the state to acquire and to better public land and buildings and other public improvements of a capital nature, in the manner provided by the maximum effort school aid law, the commissioner of finance shall issue and sell school loan bonds of the state of Minnesota in the maximum amount of \$20,000,000 \$13,000,000, in addition to the bonds already authorized for this purpose. The same amount is appropriated to the maximum effort school loan fund and must be spent under the direction of the commissioner of education to make debt service loans and capital loans to school districts as provided in sections 124.36 to 124.47. The bonds must be issued and sold and provision for their payment must be made according to section 124.46. Enough money to pay interest on the bonds to and including July 1 in the second year after the date of issue must be credited from the bond proceeds to the school loan bond account in the state bond fund. Expenses incidental to the sale, printing, execution, and delivery of the bonds, including, but without limitation, actual and necessary travel and subsistence expenses of state officers and employees for those purposes, must be paid from the maximum effort school loan fund, and the money necessary for the expenses is appropriated from that fund.

Sec. 2. Minnesota Statutes 1988, section 124.493, subdivision 1, is amended to read:

Subdivision 1. [APPROVAL BY COMMISSIONER.] To the extent money is available, the commissioner of education may approve ~~not more than two pilot~~ projects from applications submitted under section 124.494. The grant money must be used only to acquire, construct, remodel or improve the building or site of a cooperative secondary facility under contracts to be entered into within 15 months after the date on which each grant is awarded.

Sec. 3. Minnesota Statutes 1988, section 124.494, subdivision 1, is amended to read:

Subdivision 1. [QUALIFICATION.] Any group of school districts that meets the criteria required under subdivision 2 may apply for an incentive grant in an amount up to 75 not to exceed the lesser of \$6,000,000 or 60 percent of the approved construction costs of a cooperative secondary education facility.

Sec. 4. Minnesota Statutes 1988, section 124.494, subdivision 2, is amended to read:

Subd. 2. [REVIEW BY COMMISSIONER.] (a) Any group of districts that submits an application for a grant shall submit a proposal to the commissioner for review and comment under section

121.15, and the commissioner shall prepare a review and comment on the proposed facility, regardless of the amount of the capital expenditure required to acquire, construct, remodel or improve the secondary facility. The commissioner must not approve an application for an incentive grant for any secondary facility unless the facility receives a favorable review and comment under section 121.15 and the following criteria are met:

(1) a minimum of three or more districts, with kindergarten to grade 12 enrollments in each district of no more than 1,000 2,500 pupils, enter into a joint powers agreement;

(2) a joint powers board representing all participating districts is established under section 471.59 to govern the cooperative secondary facility;

(3) the planned secondary facility will result in the joint powers district meeting the requirements of Minnesota Rules, parts 3500.2010 and 3500.2110;

(4) at least 240 pupils would be served in grades 10 to 12, 320 pupils would be served in grades 9 to 12, or 480 pupils would be served in grades 7 to 12;

(5) no more than one superintendent is employed by the joint powers board as a result of the cooperative secondary facility agreement;

(6) a statement of need is submitted, that may include reasons why the current secondary facilities are inadequate, unsafe or inaccessible to the handicapped;

(7) an educational plan is prepared, that includes input from both community and professional staff;

(8) a combined seniority list for all participating districts is developed by the joint powers board;

(9) a plan is developed to allow all teachers in each participating district, upon unanimous approval of the teachers' executive bargaining representatives, to form one bargaining unit;

(10) an education program is developed that provides for more learning opportunities and course offerings including the offering of advanced placement courses for students than is currently available in any single member district; and

~~(10)~~ (11) a plan is developed for providing instruction of any resident students in other districts when distance to the secondary

education facility makes attendance at the facility unreasonably difficult or impractical.

(b) To the extent possible, the joint powers board is encouraged to provide for severance pay or for early retirement incentives under section 125.611, for any teacher or administrator, as defined under section 125.12, subdivision 1, who is placed on unrequested leave as a result of the cooperative secondary facility agreement.

Sec. 5. Minnesota Statutes 1988, section 124.494, subdivision 4, is amended to read:

Subd. 4. [AWARD OF GRANTS.] The commissioner shall examine and consider all applications for grants, and if any joint powers district is found not qualified, the commissioner shall promptly notify that joint powers board. On July 1 of ~~1988~~ 1989, the commissioner shall make awards to ~~no more than two~~ qualified applicants whose applications have been on file with the commissioner more than one month. If additional funds are available, the commissioner may make additional grants on July 1 of each subsequent year. A grant award is subject to verification by the joint powers districts as specified in subdivision 6. A grant award must not be made until the site of the secondary facility has been determined. If the total amount of the approved applications exceeds the amount that is or can be made available, the commissioner shall allot the available amount equally between the approved applicant districts. The commissioner shall promptly certify to each qualified joint powers district the amount, if any, of the grant awarded to it.

Sec. 6. Minnesota Statutes 1988, section 124.495, is amended to read:

#### 124.495 [STATE BOND AUTHORIZATION.]

To provide money for the cooperative secondary facilities grant program, the commissioner of finance, upon the request of the commissioner of education, shall issue and sell bonds of the state up to the amount of ~~\$16,000,000~~ \$23,000,000 in the manner, upon the terms and with the effect prescribed by sections 16A.631 to 16A.675 and the Minnesota Constitution, article XI, sections 4 to 7.

Sec. 7. Minnesota Statutes 1988, section 129B.72, subdivision 2, is amended to read:

Subd. 2. [APPLICATION FORMS; RULES.] The commissioner of education shall prepare application forms and establish application dates. The state board of education shall adopt rules under chapter 14 to govern the application process set out in section 129B.73.

Sec. 8. Minnesota Statutes 1988, section 129B.72, is amended by adding a subdivision to read:

Subd. 3. [CRITERIA.] A district applying for a grant under this section must have an approved desegregation plan. The district must describe how the improvement will result in the district meeting or exceeding the requirements and goals of its approved desegregation plan.

Sec. 9. Minnesota Statutes 1988, section 129B.73, subdivision 4, is amended to read:

Subd. 4. [MATCHING REVENUE.] Upon being awarded a grant under subdivision 3, the board shall determine the need to bond for additional revenue. If the board determines that there is no need to bond, it shall certify to the commissioner of education that other funds are available for the purpose. If a bond issue is required, the board shall submit, within 90 days, the question of authorizing the borrowing of funds for remodeling or improvements to the voters of the district at a special election, that may be held in conjunction with the annual election of the school board members. If a majority of those voting on the question do not vote in the affirmative, and the district does not have other funds available, the grant must be canceled.

Sec. 10. Minnesota Statutes 1988, section 129B.73, is amended by adding a subdivision to read:

Subd. 5. [PROJECT BUDGET.] A district that receives a grant must provide the project budget and any other information the commissioner requests, to the commissioner.

Sec. 11. [129B.76] [ISSUANCE AND SALE OF BONDS.]

To provide money for grants under the desegregation capital improvement grant act, the commissioner of finance, upon the request of the commissioner of education, shall issue and sell bonds of the state up to the amount of \$3,000,000 in the manner, upon the terms, and with the effect prescribed by sections 16A.631 to 16A.675 and the Minnesota Constitution, article XI, sections 4 to 7.

Sec. 12. [CAPITAL LOAN; FOLEY SCHOOL DISTRICT.]

A capital loan in an amount not to exceed \$4,853,000 to independent school district No. 51, Foley, is approved.

Sec. 13. [APPROPRIATION.]

\$3,000,000 is appropriated from the state building fund to the commissioner of education for grants to districts under the desegre-

gation capital improvement grant act according to sections 129B.71 to 129B.73.

Sec. 14. [REPEALER.]

Laws 1987, chapter 400, section 59, as amended by Laws 1988, chapter 718, article 8; section 22, is repealed. The sections repealed by Laws 1987, chapter 400, section 59, as amended by Laws 1988, chapter 718, article 8, section 22, remain effective.

Sec. 15. [EFFECTIVE DATE.]

Sections 1 to 14 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to education; restoring the cooperative secondary facility grant program; authorizing a maximum effort capital loan; transferring bond authority from the maximum effort program to the cooperative secondary facility grant program; authorizing the issuance of state bonds; authorizing desegregation capital improvement grants; appropriating money; amending Minnesota Statutes 1988, sections 124.477; 124.493, subdivision 1; 124.494, subdivisions 1, 2, and 4; 124.495; 129B.72, subdivision 2, and by adding a subdivision; 129B.73, subdivision 4, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 129B; repealing Laws 1987, chapter 400, section 59; as amended."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 100, A bill for an act relating to state government; regulating part-time employees and employment policies; amending Minnesota Statutes 1988, sections 16A.11, subdivision 3; 43A.01, by adding a subdivision; 43A.05, subdivision 5; 43A.24, subdivision 1, and by adding a subdivision; and 43A.25.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 16A.11, subdivision 3, is amended to read:

Subd. 3. [PART TWO: DETAILED BUDGET.] Part two of the budget, the detailed budget estimates both of expenditures and revenues, shall also include statements of the bonded indebtedness of the state, showing the actual amount of the debt service for at least the past two completed fiscal years, and the estimated amount for the current fiscal year and for the next two fiscal years, the debt authorized and unissued, the condition of the sinking funds, and the borrowing capacity. It shall also contain any statements on the financial plan which the governor believes desirable or which may be required by the legislature. The detailed estimates shall include the budget request of each agency arranged in tabular form so it may readily be compared with the governor's budget for each agency. They shall also include, as part of each agency's organization chart, a summary of the personnel employed by the agency, showing the complement approved by the legislature for the current biennium, additional complement positions authorized through the governor or the commissioner, positions transferred into or out of the agency, additional part-time and seasonal positions and the number of employees of all kinds employed by the agency on June 30 of the last complete fiscal year. To the extent practical, The summary of the number of employees must list employees by employment status, including but not limited to full-time unlimited, part-time unlimited, full-time or part-time seasonal, intermittent, full-time or part-time temporary, full-time or part-time emergency, and other. The summary of personnel shall also be shown for each functional division of the agency, and for each fund and type of appropriation.

Sec. 2. Minnesota Statutes 1988, section 43A.24, subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] Employees, including persons on layoff from a civil service position, and employees who are employed less than full time, shall be eligible for state paid life insurance and hospital, medical and dental benefits as provided in collective bargaining agreements or plans established pursuant to section 43A.18.

Sec. 3. Minnesota Statutes 1988, section 43A.24, is amended by adding a subdivision to read:

Subd. 3. [REPORT.] By January 1 of each odd-numbered year, the commissioner must submit a report to the legislative commission on employee relations showing the percentage of employees in each job classification that receive the full state contribution and the percentage that receive a partial state contribution for life insurance, hospital, medical, and dental benefits. The report must note which job classes are male-dominated, female-dominated, and balanced.

Sec. 4. [REPEALER.]

Minnesota Statutes 1988, section 43A.25, is repealed."

Delete the title and insert:

“A bill for an act relating to state government; regulating part-time employees and employment policies; amending Minnesota Statutes 1988, sections 16A.11, subdivision 3; and 43A.24, subdivision 1, and by adding a subdivision; repealing Minnesota Statutes 1988, section 43A.25.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Skoglund from the Committee on Insurance to which was referred:

H. F. No. 200, A bill for an act relating to insurance; establishing the insurance consumers board; giving the board authority to collect and disseminate information; establishing a surcharge on insurance contracts; appropriating money collected by the surcharge to the board; proposing coding for new law in Minnesota Statutes, chapter 60A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 60A.031, subdivision 1, is amended to read:

Subdivision 1. [POWER TO EXAMINE.] (1) [INSURERS AND OTHER LICENSEES.] At any time and for any reason related to the enforcement of the insurance laws including the report required under section 60A.031, subdivision 9, the commissioner may examine the affairs and conditions of any foreign or domestic insurance company, including reciprocals and fraternal, licensee or applicant for a license under the insurance laws, or any other person or organization of persons doing or in the process of organizing to do any insurance business in this state, and of any licensed advisory organization serving any of the foregoing in this state.

(2) [WHO MAY BE EXAMINED.] The commissioner in making any examination of an insurance company as authorized by this section may, if in the commissioner's discretion, there is cause to believe the commissioner is unable to obtain relevant information from such insurance company, examine any person, association, or corporation:

(a) transacting, having transacted, or being organized to transact the business of insurance in this state;

(b) engaged in or proposing to be engaged in the organization, promotion, or solicitation of shares or capital contributions to or aiding in the formation of a domestic insurance company;

(c) holding shares of capital stock of an insurance company for the purpose of controlling the management thereof as voting trustee or otherwise;

(d) having a contract, written or oral, pertaining to the management or control of an insurance company as general agent, managing agent, attorney-in-fact, or otherwise;

(e) which has substantial control directly or indirectly over an insurance company whether by ownership of its stock or otherwise, or owning stock in any domestic insurance company, which stock constitutes a substantial proportion of either the stock of the domestic insurance company or of the assets of the owner thereof;

(f) which is a subsidiary or affiliate of an insurance company;

(g) which is a licensed agent or solicitor or has made application for the licenses;

(h) engaged in the business of adjusting losses or financing premiums.

Nothing contained in this clause (2) shall authorize the commissioner to examine any person, association, or corporation which is subject to regular examination by another division of the commerce department of this state. The commissioner shall notify the other division when an examination is deemed advisable.

Sec. 2. Minnesota Statutes 1988, section 60A.031, subdivision 3, is amended to read:

Subd. 3. [ACCESS TO EXAMINEE.] The commissioner, or the designated person, shall have free access during normal business hours to all books, records, securities, documents, and any or all papers relating to the property, assets, business, and affairs of any company, applicant, association, or person which may be examined pursuant to this act for the purpose of ascertaining, appraising, and evaluating the assets, conditions, affairs, operations, ability to fulfill obligations, and compliance with all the provisions of law of the company or person insofar as any of the above pertain to the business of insurance of a person, organization, or corporation transacting, having transacted, or being organized to transact business in this state. Every company or person being examined, its officers, directors, and agents, shall provide to the commissioner or the designated person convenient and free access at all reasonable hours at its office to all its books, records, securities, documents, any

or all papers relating to the property, assets, business, and affairs of the company or person, including statistics regarding premiums written and those earned, net investment income, incurred claims, actual incurred expenses, net underwriting expenses, net underwriting gain or loss, net operation gain or loss, and any other information which may be required to be broken down for specific lines. The officers, directors, and agents of the company or person shall facilitate the examination and aid in the examination so far as it is in their power to do so.

Sec. 3. Minnesota Statutes 1988, section 60A.031, is amended by adding a subdivision to read:

Subd. 9. [REPORT.] The commissioner shall annually prepare a report related to the interests of consumers based on the direction and recommendations of the advisory consumers board. In addition to the information that is recommended by the board, the report shall include background information, statistics, analysis, and recommendations regarding the functioning of indemnification systems in this state, both in a broad sense and as to specific categories of indemnification or insurance. The commissioner shall be required to annually report its findings to the legislature under section 3.195.

Sec. 4. Minnesota Statutes 1988, section 60A.031, is amended by adding a subdivision to read:

Subd. 10. [POWERS OF COMMISSIONER.] At any time and for any reason related to promoting the interests of insurance consumers or related to the annual report referred to in section 60A.031, subdivision 9, the commissioner shall, at the direction of the advisory consumers board:

(1) advocate and promote the individual and collective interests of consumers in relation to the insurance industry, administrative agencies, the governor's office, the legislature, and any other groups or individuals;

(2) research and analyze indemnification systems and recommend creation or modification of specific systems to elected officials, working closely with legislative and executive officials;

(3) prepare and disseminate to the public informative brochures describing insurance matters of interest to consumers; and

(4) establish and publicize lists of sources of indemnification, rated according to compliance of their business practices with specific criteria established by the board. The criteria for ratings must be based in part on statutory requirements as well as on considerations of consumers' best interests.

Sec. 5. [60A.50] [SHORT TITLE.]

Sections 5 to 9 may be cited as the "advisory consumers board act."

Sec. 6. [60A.51] [DEFINITIONS.]

Subdivision 1. [SCOPE.] For the purposes of sections 5 to 9, the following definitions have the meanings given them.

Subd. 2. [BOARD.] "Board" means the advisory consumers board established pursuant to section 7.

Subd. 3. [COMMISSIONER.] "Commissioner" means the commissioner of the department of commerce unless otherwise specified.

Subd. 4. [COMPANY.] "Company" means any company corporation, group, or organization, however structured, that contracts with insurance consumers to provide indemnification for losses. Company does not include reinsurers.

Subd. 5. [CONSUMER.] "Consumer" means any individual, group, or business that contracts with a company for indemnification from losses.

Sec. 7. [60A.52] [ADVISORY CONSUMERS BOARD.]

Subdivision 1. [ESTABLISHMENT AND MEMBERSHIP.] The advisory consumers board is established as an independent board to promote the interests of insurance consumers by making recommendations and providing direction to the commissioner regarding information to be contained in the commissioner's report filed annually under section 60A.031, subdivision 9, and by advising and directing the commissioner on the commissioner's powers under section 60A.031, subdivision 10. The board consists of eight members as follows:

- (1) one member appointed by the commissioner;
- (2) two members appointed by the governor;
- (3) one member appointed by the attorney general from the attorney general's office; and
- (4) four members, one appointed by each of the majority and minority leaders of the house of representatives and the senate.

No person who is or has been employed within the past three years in any capacity by any group, individual, or organization that is part of or associated with the insurance industry may be ap-

pointed to the board. No person who serves on the board may accept any form of compensation or gratuity from any group, individual, or association that is part of or associated with the insurance industry during tenure on the board or for a period of five years following termination of membership on the board.

Subd. 2. [MEMBERSHIP TERMS.] The initial members shall be appointed as follows:

(1) the members appointed by the commissioner, governor, and attorney general will be appointed for a period of two years commencing January 1, 1990; and

(2) the members appointed by legislative leaders will be appointed for a period of three years commencing January 1, 1990.

On the expiration of the initial appointments, members other than the commissioner will be appointed to two-year terms. No person may serve more than four years with the exception of the initial members appointed by legislative leaders who may serve a maximum of five years.

Subd. 3. [COMPENSATION AND EXPENSES.] Compensation for and expenses of board members are governed by section 15.0575, subdivision 3.

Sec. 8. [60A.53] [DUTIES AND POWERS OF THE BOARD.]

Subdivision 1. [DUTIES.] In addition to performing duties specified elsewhere in sections 5 to 9, the board shall:

(1) provide direction and make recommendations to the commissioner regarding the information to be contained in the report filed annually by the commissioner under section 60A.031, subdivision 9; and

(2) consult, advise, and provide direction to the commissioner on the commissioner's powers under section 60A.031, subdivision 10, requiring the commissioner to:

(i) advocate and promote the individual and collective interests of consumers in relation to the insurance industry, administrative agencies, the governor's office, the legislature, and any other groups or individuals;

(ii) research and analyze indemnification systems and recommend creation or modification of specific systems to elected officials, working closely with legislative and executive officials;

(iii) prepare and disseminate to the public informative brochures describing insurance matters of interest to consumers; and

(iv) establish and publicize lists of sources of indemnification, rated according to compliance of their business practices with specific criteria established by the commissioner. The criteria for ratings must be based in part on statutory requirements as well as on considerations of consumers' best interests.

Subd. 2. [POWERS.] The board may:

(1) hire staff necessary to carry out the board's duties;

(2) establish rules to govern the board's procedures;

(3) elect a chair from its membership; and

(4) issue a subpoena in order to assure collection of the above information when the board's request for information is unanswered or only partially answered within 90 days of receipt of the request by the person, group, company, or organization requested to provide the information.

Sec. 9. [60A.54] [OPTIONAL SURCHARGE.]

(a) Every insurance contract issued or renewed that provides coverage to a Minnesota resident and that requires a total annual premium payment of \$200 or more must include a surcharge of 50 cents unless the insured opts in writing not to pay the surcharge. For group insurance, the person to whom the master policy is issued is responsible for implementing this provision on behalf of all insureds.

(b) The company shall collect the surcharge at the time of contracting and, thereafter, once annually at the time of the first premium billing in each calendar year.

(c) The company shall pay the total amount of surcharges it collects to the commissioner of revenue along with, but separate from, premium taxes payable pursuant to section 60A.15. Town and farmers' mutual insurance companies and domestic mutual insurance companies must pay collected surcharges according to the schedule in section 60A.15.

(d) The board shall draft a concise statement regarding the surcharge and its use. Every company must include the board's statement on the front page of every insurance contract or billing statement assessing the surcharge along with a box for the purchaser to check to opt not to pay the surcharge and a line for purchaser's signature. No option not to pay the surcharge is valid

without purchaser's signature. For group insurance, the person to whom the master policy is issued is responsible for implementing this provision on behalf of all insureds.

(e) No company or individual may advise or encourage any purchaser to opt not to pay the surcharge.

Sec. 10. Minnesota Statutes 1988, section 176.181, subdivision 2a, is amended to read:

Subd. 2a. [APPLICATION FEE.] Every initial application filed pursuant to subdivision 2 requesting authority to self-insure shall be accompanied by a fee of \$1,000 \$1,055. The fee is not refundable.

Sec. 11. [APPROPRIATION.]

\$ . . . . . is appropriated from the general fund to the commissioner to implement the provisions of sections 1 to 10. The appropriation is available until it is expended. The approved complement of the department of commerce is increased by two positions."

Delete the title and insert:

"A bill for an act relating to insurance; establishing the advisory consumers board; requiring the commissioner to prepare a report related to the interests of consumers based on the recommendations of the advisory consumers board and to advocate and promote the interests of consumers; giving the board authority to make recommendations to the commissioner on the annual report and to direct the commissioner regarding various powers of the commissioner; establishing a surcharge on insurance contracts; appropriating money collected by the surcharge to the board; amending Minnesota Statutes 1988, section 60A.031, subdivisions 1, 3, and by adding subdivisions; and 176.181, subdivision 2a; proposing coding for new law in Minnesota Statutes, chapter 60A."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 523, A bill for an act relating to local government; regulating the development, imposition, and management of state mandates upon local political subdivisions; amending Minnesota Statutes 1988, section 3.981, subdivision 2, 8, and by adding

subdivisions; 3.982; 3.983, subdivision 3; 14.11, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 3 and 14; repealing Minnesota Statutes 1988, section 3.981, subdivisions 4, 5, and 9.

Reported the same back with the following amendments:

Page 3, line 31, before "city" insert "home rule charter or statutory"

With the recommendation that when so amended the bill be re-referred to the Committee on Governmental Operations without further recommendation.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 897, A bill for an act relating to local government; clarifying certain procedures for adoption of town optional plans of government; amending Minnesota Statutes 1988, sections 367.31, subdivisions 1, 2, 3, and 5; and 367.33, subdivisions 1 and 5.

Reported the same back with the following amendments:

Page 1, line 23, strike "meeting" and insert "election"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 927, A bill for an act relating to traffic regulations; defining terms; subjecting driver of commercial motor vehicle to stricter federal standard on alcohol-related driving; providing for and regulating category of commercial driver's license and commercial motor vehicle drivers; authorizing Minnesota to join driver license compact; allowing exchange of driver license information with other states; promoting consolidated, complete driver record; imposing penalties; appropriating money; amending Minnesota Statutes 1988, sections 168.011, subdivision 9; 169.01, subdivision 50, and by adding a subdivision; 169.123, subdivisions 2, 4, 5, 5a, 5b, 5c, and 6; 171.01, subdivision 19, and by adding subdivisions; 171.02, subdivision 2; 171.03; 171.04; 171.06, subdivisions 2 and 3;

171.07, by adding a subdivision; 171.10, subdivision 2; 171.12, subdivision 2; 171.13, subdivision 5; 171.14; 171.16, subdivision 1; 171.18; 171.19; 171.20; 171.22, subdivision 1; 171.24; and 171.30, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 169 and 171.

Reported the same back with the following amendments:

Page 2, line 30, delete "under" and insert "defined in"

Page 3, line 2, after the semicolon insert "or"

Page 3, line 4, delete "; or" and insert a period

Page 3, delete lines 5, 6, and 33 to 36

Page 4, delete lines 1 to 3

Page 4, line 27, delete "27" and insert "28" and after "on" insert "receipt of a record of" and delete "of the"

Page 4, line 28, delete "person of" and insert "for"

Page 4, after line 34, insert:

"Sec. 6. Minnesota Statutes 1988, section 169.123, subdivision 1, is amended to read:

Subdivision 1. [PEACE OFFICER DEFINED.] For purposes of this section and, section 169.121, and section 4, the term peace officer means a state patrol officer, university of Minnesota peace officer, a constable as defined in section 367.40, subdivision 3, or police officer of any municipality, including towns having powers under section 368.01, or county."

Page 6, line 2, delete "; or" and insert "and,"

Page 6, line 11, delete "; or" and insert "and,"

Page 7, lines 16 and 23, delete "upon"

Page 7, lines 17 and 24, delete "certification"

Page 7, line 26, before the period insert "and shall revoke the person's license or permit to drive or nonresident operating privilege for a period of one year"

Page 8, lines 5 to 7, delete the new language

Page 8, line 7, after the period insert "On certification by the peace officer that there existed probable cause to believe the person had been driving, operating, or in physical control of a commercial motor vehicle with an alcohol concentration of more than 0.00 and that the person submitted to a test and the test results indicated an alcohol concentration of 0.04 or more, the commissioner of public safety shall disqualify the person from operating a commercial motor vehicle under section 28."

Page 8, line 18, delete "27" and insert "28"

Page 8, lines 34 to 36, delete the new language and reinstate the stricken language

Page 9, lines 1 to 6, delete the new language and after the period insert "On behalf of the commissioner of public safety, a peace officer requiring a test or directing the administration of a chemical test of a person driving, operating, or in physical control of a commercial motor vehicle shall serve immediate notice of intention to disqualify and of disqualification on a person who refuses to permit a test, or on a person who submits to a test the results of which indicate an alcohol concentration of 0.04 or more."

Page 9, line 15, delete "27" and insert "28"

Page 10, line 3, before the first "court" insert "district" and strike "of county or municipal court"

Page 10, line 17, before the period insert "and state the facts underlying each claim asserted"

Page 11, line 31, delete the comma and insert a semicolon and strike "and"

Page 11, line 32, strike the comma and insert a semicolon

Page 12, line 34, delete "under" and insert "defined in"

Page 20, line 29, strike everything after "violations"

Page 20, lines 30 and 31, delete the new language and strike the old language

Page 21, line 10, delete "with the use of" and insert "in which"

Page 21, line 11, delete "in the commission of the felony" and insert "was used"

Page 21, line 12, delete "that" and insert "which"

Page 21, lines 16 and 17, delete "the first implied consent" and insert "a"

Page 25, lines 12 and 13, delete "withdrawal period resulting from a"

Page 25, line 14, delete "is in" and insert "takes" and delete "notifying" and insert "notification of"

Page 25, line 15, delete "the period does not start accruing" and insert "credit must not be given toward the specified withdrawal period"

Page 25, line 16, delete "appropriate"

Page 26, line 10, delete "27" and insert "28"

Page 28, line 14, strike "and" and before the period insert ", and 10"

Page 33, lines 7, 9, 19, 33, and 35, delete "34" and insert "35"

Page 34, line 8, delete "40" and insert "41"

Page 34, line 11, delete everything after "to" and insert "16, 18 to 27, and 29 to 42 are effective"

Page 34, lines 13 and 16, delete "16" and insert "17"

Page 34, line 17, delete "27" and insert "28"

Page 34, line 18, after "imposed" insert "for incidents occurring"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 13, before "2" insert "1,"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 100 and 897 were read for the second time.

**SECOND READING OF SENATE BILLS**

S. F. No. 121 was read for the second time.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

Kelly, Wynia, Vanasek, Schreiber and Pauly introduced:

H. F. No. 1136, A bill for an act relating to metropolitan transit; changing the responsibilities of the regional transit board and metropolitan council; altering the membership of the transit board and transit commission; eliminating certain restrictions on the council, the board, and the commission; abolishing regional rail authorities in the metropolitan area; amending Minnesota Statutes 1988, sections 473.169, subdivision 7; 473.373, subdivisions 1, 1a, 4, 5, and by adding a subdivision; 473.375, subdivisions 1, 6, 8, 11, 13, 16, and 17; 473.38; subdivision 2; 473.382; 473.384, subdivisions 1, 3, 4, 5, 6, and 7; 473.386, subdivision 2; 473.387, subdivision 4; 473.388, subdivisions 2 and 4; 473.392; 473.404, subdivisions 2, 3, 6, and 7; 473.436, subdivisions 6 and 7; 473.446, subdivisions 1, 1a, 7, and 8; proposing coding for new law in Minnesota Statutes, chapter 398A; repealing Minnesota Statutes 1988, sections 473.1691; 473.17; 473.373, subdivision 6; 473.375, subdivisions 2, 4, 5, and 7; 473.38, subdivisions 1, 3, and 4; 473.394; and 473.398.

The bill was read for the first time and referred to the Committee on Transportation.

Johnson, A.; Rice; Carruthers; Vellenga and Carlson, D., introduced:

H. F. No. 1137, A bill for an act relating to metropolitan government; regulating the borrowing authority of the regional transit board; amending Minnesota Statutes 1988, section 473.39, subdivision 1a, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

Begich and Rukavina introduced:

H. F. No. 1138, A bill for an act relating to regional development; dissolving arrowhead regional development commissions.

The bill was read for the first time and referred to the Committee on Economic Development.

Ogren, Dauner, Steensma, Welle and Krueger introduced:

H. F. No. 1139, A bill for an act relating to corrections; requiring county boards to provide medical aid for prisoners in jail; amending Minnesota Statutes 1988, section 641.15.

The bill was read for the first time and referred to the Committee on Judiciary.

Sviggum introduced:

H. F. No. 1140, A bill for an act relating to real property; appropriating money for grant-in-aid assistance to the Red Wing port authority to acquire lands for historic preservation and educational purposes.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Segal, Marsh, Orenstein and Kelly introduced:

H. F. No. 1141, A bill for an act relating to traffic regulations; repealing provisions on nonrecording of certain speeding violations on driving records; repealing Minnesota Statutes 1988, sections 169.99, subdivision 1b; and 171.12, subdivision 6.

The bill was read for the first time and referred to the Committee on Transportation.

Winter, Kalis, Dille, Wagenius and Steensma introduced:

H. F. No. 1142, A bill for an act relating to the environment; requiring the use of soy-based ink for some printing operations; proposing coding for new law in Minnesota Statutes, chapter 115A.

The bill was read for the first time and referred to the Committee on Economic Development.

Gutknecht, Bishop, Frerichs and Welle introduced:

H. F. No. 1143, A bill for an act relating to taxation; permitting the city of Rochester to continue levying a general sales tax for flood

control costs; amending Laws 1983, chapter 342, article 19, sections 4 and 5.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Rukavina, Ozment, Hartle, McEachern and Bauerly introduced:

H. F. No. 1144, A bill for an act relating to school districts; providing employment rights for nonteaching employees of districts affected by consolidation, dissolution, or interdistrict cooperation; giving teachers and other employees of school districts an option to retire before age 65 with no reduction in annuities under certain circumstances; appropriating money; amending Minnesota Statutes 1988, sections 122.532, subdivision 2, and by adding a subdivision; 122.541, subdivisions 4 and 5; 353.30, subdivision 1a; 354.44, subdivision 6; and 354A.31, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 120.

The bill was read for the first time and referred to the Committee on Education.

Pappas, Orenstein, Greenfield, Pugh and Dempsey introduced:

H. F. No. 1145, A bill for an act relating to human service; establishing requirements for disclosure of data about communicable diseases; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 144.

The bill was read for the first time and referred to the Committee on Judiciary.

Steensma, Macklin and Kalis introduced:

H. F. No. 1146, A bill for an act relating to traffic regulations; dedicating seat belt violation fines to emergency medical services relief account; amending Minnesota Statutes 1988, section 169.686, subdivision 3.

The bill was read for the first time and referred to the Committee on Transportation.

McEachern, Bertram, Scheid, Steensma and Abrams introduced:

H. F. No. 1147, A bill for an act relating to elections; making various changes in laws applicable to school district elections; amending Minnesota Statutes 1988, sections 201.071, subdivision 3;

203B.08, subdivision 3; 204B.08, subdivision 3; 204B.14, subdivision 5; 204B.17; 204B.44; 204C.22, subdivisions 9, 10, 15, and by adding a subdivision; 204D.04, subdivision 2; 205A.05, subdivision 1; 205A.07, by adding a subdivision; 205A.09, subdivision 2; 205A.10, subdivisions 2 and 3; 205A.11; 205A.12, subdivision 2; 209.02, subdivision 1; 209.021, subdivision 1; 209.03; 209.09, subdivision 1; and 211A.01, subdivision 6.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Vellenga; Nelson, K.; McGuire and Wagenius introduced:

H. F. No. 1148, A bill for an act relating to education; requiring school boards, public post-secondary boards and institutions, the commissioner of human rights; and the high school league to perform certain duties relating to sexual harassment and sexual violence; appropriating money; amending Minnesota Statutes 1988, sections 121.882, subdivision 2; 124A.27, by adding a subdivision; and 129.121, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 121; 127; 135A; and 363.

The bill was read for the first time and referred to the Committee on Education.

Carruthers, Battaglia, Simoneau and Morrison introduced:

H. F. No. 1149, A bill for an act relating to state lands; providing for exceptions to usual conveyance procedures; amending Minnesota Statutes 1988, sections 94.10, by adding a subdivision; and 282.01, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 92; 94; and 282.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Pugh, Kelly and Blatz introduced:

H. F. No. 1150, A bill for an act relating to the collection, access to, and dissemination of data; proposing classifications of data as private, confidential, nonpublic, and protected nonpublic; clarifying classification of data; establishing an internal audit function with access to state agency data; clarifying what data on juveniles may be made available to the public; amending Minnesota Statutes 1988, sections 13.10, subdivision 1; 13.32, subdivisions 3 and 5; 13.82, subdivision 8; 16A.055, subdivision 1; 245.94, subdivision 1; and 260.161, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 13.

The bill was read for the first time and referred to the Committee on Judiciary.

Bishop, Kelly, Pugh, Dempsey and Orenstein introduced:

H. F. No. 1151, A bill for an act relating to probate; changing procedure for notice to certain creditors; changing certain time limits; amending Minnesota Statutes 1988, sections 524.3-801; 524.3-802; 524.3-803; and 524.3-807.

The bill was read for the first time and referred to the Committee on Judiciary.

Miller, by request, introduced:

H. F. No. 1152, A bill for an act relating to veterans; providing for establishment of a veterans home in Montevideo; proposing coding for new law in Minnesota Statutes, chapter 198.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Miller, by request, introduced:

H. F. No. 1153, A bill for an act relating to veterans; providing for establishment of a veterans home in Redwood Falls; proposing coding for new law in Minnesota Statutes, chapter 198.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Miller, by request, introduced:

H. F. No. 1154, A bill for an act relating to veterans; providing for establishment of a veterans home in Granite Falls; proposing coding for new law in Minnesota Statutes, chapter 198.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Skoglund, Wenzel, Pappas and Kinkel introduced:

H. F. No. 1155, A bill for an act relating to insurance; life and health; regulating policy and contract provisions, coverages, certain cost-containment mechanisms, cancellations and nonrenewals, trade and marketing practices, and remedies in these and other

lines; making technical changes; amending Minnesota Statutes 1988, sections 45.025, subdivision 8; 45.027, subdivision 7; 45.028, subdivision 1; 61A.011, subdivision 1; 61A.092, subdivision 3; 61B.03, subdivision 6; 62A.01; 62A.041; 62A.08; 62A.09; 62A.17, subdivision 2; 62A.46, by adding a subdivision; 62A.48, subdivision 1; 62B.01; 62B.04, subdivision 1; 62D.12, by adding a subdivision; 62E.06, subdivision 1; 72A.20, subdivision 15, and by adding subdivisions; 72A.325; and 149.11; proposing coding for new law in Minnesota Statutes, chapters 60A; 62A; 65A; and 72A; repealing Minnesota Statutes 1988, sections 60A.23, subdivision 7; and 72A.13, subdivision 2.

The bill was read for the first time and referred to the Committee on Insurance.

Skoglund, Ogren, Munger and Peterson introduced:

H. F. No. 1156, A bill for an act relating to insurance; regulating the comprehensive health insurance plan and association; increasing access to the plan; modifying the funding mechanism and membership of the association; modifying the representation on the board of directors; modifying coverages; defining certain terms; amending Minnesota Statutes 1988, sections 62A.17, subdivision 4, and by adding a subdivision; 62A.20, by adding a subdivision; 62A.21, by adding a subdivision; 62D.02, subdivision 8; 62E.02, subdivisions 2, 8, 9, 13, 18, and by adding a subdivision; 62E.10, subdivisions 1, 2, 3, 7, and 9; 62E.11, subdivision 2, and by adding a subdivision; 62E.12; 62E.14, subdivision 3, and by adding subdivisions; 62E.16; and 363.02, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 62E; repealing Minnesota Statutes 1988, sections 62E.02, subdivisions 21 and 22; 62E.035; and 62E.11, subdivisions 5 and 6.

The bill was read for the first time and referred to the Committee on Insurance.

Dorn, Greenfield, Rodosovich and Dempsey introduced:

H. F. No. 1157, A bill for an act relating to human services; authorizing reimbursement for cost saving equipment under general assistance medical care; increasing the complement of the department of human services; amending Minnesota Statutes 1988, section 256D.03, subdivision 4.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Dawkins, Pappas, Jefferson and Trimble introduced:

H. F. No. 1158, A bill for an act relating to courts; providing for a study by the supreme court of racial bias in the judicial system; establishing a panel to investigate racism by judges and evaluate mechanisms for criticizing judges; appropriating money.

The bill was read for the first time and referred to the Committee on Judiciary.

Onnen introduced:

H. F. No. 1159, A bill for an act relating to crime; providing that a person who unlawfully sells or distributes narcotic drugs is guilty of attempted murder; providing penalties; amending Minnesota Statutes 1988, section 152.15, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Bauerly; Nelson, K.; McEachern; Hartle and Simoneau introduced:

H. F. No. 1160, A bill for an act relating to education; authorizing school district participation in certain energy efficiency projects; proposing coding for new law in Minnesota Statutes, chapter 124.

The bill was read for the first time and referred to the Committee on Education.

Scheid, Morrison and O'Connor introduced:

H. F. No. 1161, A bill for an act relating to housing; authorizing the Minnesota housing finance agency to establish a neighborhood preservation program and to issue revenue bonds for city housing rehabilitation loan and grant programs; appropriating money; amending Minnesota Statutes 1988, sections 462A.03, by adding a subdivision; and 462A.08, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 462A.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Reding introduced:

H. F. No. 1162, A bill for an act relating to international trade; enhancing the Minnesota trade office's education and foreign repre-

sentation activities; appropriating money; amending Minnesota Statutes 1988, section 116J.966, subdivision 1; repealing Minnesota Statutes 1988, section 116J.967.

The bill was read for the first time and referred to the Committee on Economic Development.

Murphy and Peterson introduced:

H. F. No. 1163, A bill for an act relating to resource development; requiring a research study on the effect of aspen thinning; appropriating money.

The bill was read for the first time and referred to the Committee on Economic Development.

Jacobs, Kahn, Steensma, Kostohryz and Frederick introduced:

H. F. No. 1164, A bill for an act relating to charitable gambling; defining as a lawful purpose expenditure an expenditure by a veterans organization on veterans' grave markers; amending Minnesota Statutes 1988, section 349.12, subdivision 11.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Johnson, R.; O'Connor; Reding and Simoneau introduced:

H. F. No. 1165, A bill for an act relating to retirement; allowing payment of certain premiums on tax sheltered annuities as an exception to the prohibition on supplemental pension plans; amending Minnesota Statutes 1988, section 356.24.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Clark; Otis; Vellenga; Nelson, K., and Bishop introduced:

H. F. No. 1166, A bill for an act relating to education; establishing a task force on coordinated childcare; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Carlson, L., and Rest introduced:

H. F. No. 1167, A bill for an act relating to retirement; volunteer firefighters; reducing the service requirement for eligibility for a service pension from ten years to five years; amending Minnesota Statutes 1988, section 424A.02, subdivisions 1, 2, 7, and 13.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Simoneau; Johnson, R.; Reding; Knickerbocker and O'Connor introduced:

H. F. No. 1168, A bill for an act relating to retirement; public pension plans; establishing, codifying, clarifying, and revising the obligations, responsibilities, and liabilities of public pension plan fiduciaries; amending Minnesota Statutes 1988, sections 11A.01; 11A.04; 11A.07, subdivision 4; 11A.09; 11A.13, subdivision 1; 69.77, subdivision 2g; 69.775; 136.84; 352.03, subdivision 7; 352.92, by adding a subdivision; 352.96, subdivision 3; 352B.03, subdivision 1; 352C.091, subdivision 1; 352D.09, subdivision 1; 353.03, subdivision 1; 354.06, subdivision 1; 354A.021, subdivision 6; 422A.05, subdivisions 2a and 2d; 423.374; 423.45; 423.805; 423A.21, subdivision 4; 424.06; 424A.001, subdivision 7; 424A.04, subdivision 2; and 490.122; proposing coding for new law in Minnesota Statutes, chapters 3A and 490; proposing coding for new law as Minnesota Statutes, chapter 356A.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Begich introduced:

H. F. No. 1169, A bill for an act relating to unemployment insurance; modifying the base period; amending Minnesota Statutes 1988, section 268.04, subdivision 2.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Wynia, Greenfield, Vellenga, Hasskamp and Bishop introduced:

H. F. No. 1170, A bill for an act relating to human services; providing for eligibility changes in the children's health plan program; clarifying eligibility under the medical assistance program for pregnant women, infants, and children; authorizing the adoption of rules; amending Minnesota Statutes 1988, section 256.936, subdivisions 1, 2, and 4; proposing coding for new law in Minnesota Statutes, chapter 256B.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Sparby, Bauerly, Wenzel, Winter and Dauner introduced:

H. F. No. 1171, A bill for an act relating to agriculture; providing grants to pay a portion of the cost of certain federal crop insurance; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 17.

The bill was read for the first time and referred to the Committee on Agriculture.

Ogren introduced:

H. F. No. 1172, A bill for an act relating to state lands; authorizing private sale of certain tax-forfeited land in Carlton county.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Begich introduced:

H. F. No. 1173, A bill for an act relating to unemployment compensation; adjusting the minimum tax; amending Minnesota Statutes 1988, section 268.06, subdivision 8.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Hasskamp, Wenzel and Kinkel introduced:

H. F. No. 1174, A bill for an act relating to human services; requiring counties to consult parents and other specified persons regarding individual service plans for persons with mental retardation or a related condition; prohibiting discharges from regional treatment centers over the objections of parents or other specified persons; requiring placement in a regional treatment center at the request of parents and other specified persons; requiring screening teams to consider the personal needs of clients and the quality, availability, and location of alternative services when evaluating the appropriateness of home and community-based services; amending Minnesota Statutes 1988, sections 253B.16; and 256B.092, subdivisions 1, 1b, 7, 8, and 9.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Bauerly, Wenzel, Bertram, Sparby and Dille introduced:

H. F. No. 1175, A bill for an act relating to agriculture; regulating the manufacture of cultured dairy food; requiring pasteurization for certain dairy products; amending Minnesota Statutes 1988, section 32.486, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Agriculture.

Carlson, D., introduced:

H. F. No. 1176, A bill for an act relating to motor vehicles; providing for location for deputy registrar to collect motor vehicle taxes; amending Minnesota Statutes 1988, section 168.33, subdivision 2.

The bill was read for the first time and referred to the Committee on Transportation.

Orenstein introduced:

H. F. No. 1177, A bill for an act relating to taxation; property; limiting increases in the market value of homesteads; amending Minnesota Statutes 1988, section 273.11, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Skoglund and Long introduced:

H. F. No. 1178, A bill for an act relating to cigarettes; imposing an annual fee on cigarette distributors; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 325D.

The bill was read for the first time and referred to the Committee on Health and Human Services.

McDonald and Kelso introduced:

H. F. No. 1179, A bill for an act relating to Carver county; providing for the location of offices for the county attorney, court administrator, and sheriff, and for the location of the district court and the county jail.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Scheid introduced:

H. F. No. 1180, A bill for an act relating to elections; changing certain procedures for counting absentee ballots; amending Minnesota Statutes 1988, sections 203B.10; 203B.12, subdivisions 1 and 6; 203B.13; and 205B.10, subdivision 2.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Carruthers, Jefferson, McGuire, Weaver and Pauly introduced:

H. F. No. 1181, A bill for an act relating to metropolitan government; regulating budgets; amending Minnesota Statutes 1988, section 473.1623, subdivision 4, and by adding subdivisions.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Peterson, Welle, Ogren and Orenstein introduced:

H. F. No. 1182, A bill for an act relating to judgments; providing for collection of costs by a person subject to an improperly docketed judgment; providing a penalty for persons who improperly docket judgments; requiring persons using judgments for credit or title status purposes to use due diligence in determining who is the judgment debtor; amending Minnesota Statutes 1988, section 548.09, subdivisions 2 and 3, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

McGuire, Trimble, Conway, Munger and Weaver introduced:

H. F. No. 1183, A resolution memorializing the President and Congress to address problems in the solid waste stream caused by the amount and types of materials used to package consumer products.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Kelly, Wagenius, Bishop, Greenfield and Vellenga introduced:

H. F. No. 1184, A bill for an act relating to courts; abolishing the county and probate court; transferring the jurisdiction, cases, records, and employees of that court to the district court; merging the municipal and conciliation courts with the district court in the second and fourth judicial districts; transferring the jurisdiction, cases, records, and employees of those courts to the district court; providing that municipal and probate and county judges are district judges; providing transitional retirement benefits; amending Minnesota Statutes 1988, sections 484.01; 484.69, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 487, 488A, and 490; repealing Minnesota Statutes 1988, section 487.191.

The bill was read for the first time and referred to the Committee on Judiciary.

Solberg; Begich; Johnson, V., and Dille introduced:

H. F. No. 1185, A bill for an act relating to public employees; limiting insurance coverage of retired elected officers; amending Minnesota Statutes 1988, section 471.61, subdivision 2a.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Solberg, Poppenhagen, Sparby and Carlson, D., introduced:

H. F. No. 1186, A bill for an act relating to education; requiring the Minnesota state high school league to provide for television coverage of athletic events on a statewide basis; amending Minnesota Statutes 1988, section 129.121, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

Greenfield; Ostrom; Anderson, R.; Boo and Ogren introduced:

H. F. No. 1187, A bill for an act relating to human services; providing for eligibility changes in the medical assistance, general assistance medical care, and children's health plan programs; clarifying existing eligibility requirements; providing for coordination of benefits with the children's health plan; providing for certain changes in the administration of the medical assistance demonstration project; amending Minnesota Statutes 1988, sections 62A.045; 62A.046; 145.61, subdivision 5; 145.63; 214.06, subdivision 1; 256.936, subdivisions 1, 2, and 4; 256.969; 256B.031, subdivision 5; 256B.04, subdivision 14; 256B.055, subdivisions 7 and 8; 256B.056,

subdivisions 3 and 5; 256B.062; 256B.0625, subdivision 13, and by adding a subdivision; 256B.14; 256B.69, subdivisions 4, 5, 11, and by adding a subdivision; 256D.03, subdivisions 3, 4, and 7; and 297.13, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 256 and 256B; repealing Minnesota Statutes 1988, sections 256.969, subdivisions 2a, 3, 4, 5, and 6; 256B.17; and 256B.69, subdivisions 12, 13, 14, and 15.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Otis; Winter; Anderson, G.; Ogren and Dauner introduced:

H. F. No. 1188, A bill for an act relating to human services; adjusting the general assistance standard for certain assistance units; amending Minnesota Statutes 1988, section 256D.06, subdivisions 1, 1c, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Gutknecht, Girard, Omann, Tjornhom and Marsh introduced:

H. F. No. 1189, A bill for an act relating to charitable gambling; authorizing tax credits and tax refunds for contributions made by licensed organizations to certain qualifying lawful purposes; appropriating money; amending Minnesota Statutes 1988, section 349.12, subdivision 11; proposing coding for new law in Minnesota Statutes, chapter 349.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Abrams; Olsen, S.; Weaver; Gruenes and Bennett introduced:

H. F. No. 1190, A bill for an act relating to charitable gambling; authorizing tax credits and tax refunds for contributions made by licensed organizations to certain qualifying lawful purposes; appropriating money; amending Minnesota Statutes 1988, section 349.12, subdivision 11; proposing coding for new law in Minnesota Statutes, chapter 349.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Jennings introduced:

H. F. No. 1191, A bill for an act relating to state lands; authorizing sale of certain tax-forfeited land that borders public water in Chisago county.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Poppenhagen introduced:

H. F. No. 1192, A bill for an act relating to public lands; stating legislative findings and prohibiting transfer of the Many Point Lake public access site in Becker county.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Waltman, Limmer, Pellow, Seaberg and Uphus introduced:

H. F. No. 1193, A bill for an act relating to education; appropriating money for reducing class sizes in kindergarten through grade 3.

The bill was read for the first time and referred to the Committee on Education.

Carruthers, Kelly, Skoglund, Kalis and Uphus introduced:

H. F. No. 1194, A bill for an act relating to insurance; requiring obligors to issue an insurance identification card; requiring a driver or owner to produce an insurance identification card, policy, or written statement; providing for administrative review; exempting certain vehicles; providing for the impoundment of registration plates; providing for a limited license in certain circumstances; defining terms; providing penalties; amending Minnesota Statutes 1988, sections 65B.67, subdivisions 2 and 4; 168.041, subdivisions 4, 4a, and by adding a subdivision; 169.09, subdivision 14; 171.29, subdivision 1; and 171.30, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 65B and 169; repealing Minnesota Statutes 1988, section 65B.481.

The bill was read for the first time and referred to the Committee on Insurance.

Bertram introduced:

H. F. No. 1195, A bill for an act relating to judgments; providing

that certain employee retirement benefits are exempt from seizure or sale for the payment of a debt or liability to the extent the benefits are reasonably necessary for support; amending Minnesota Statutes 1988, section 550.37, subdivision 24.

The bill was read for the first time and referred to the Committee on Judiciary.

Clark, Osthoff and Otis introduced:

H. F. No. 1196, A bill for an act relating to taxation; requiring payment of large tax liabilities by electronic funds transfer or cash equivalents; proposing coding for new law in Minnesota Statutes, chapter 270.

The bill was read for the first time and referred to the Committee on Taxes.

Bishop, Orenstein, Kelly and Dempsey introduced:

H. F. No. 1197, A bill for an act relating to Minnesota Statutes; correcting erroneous, ambiguous, and omitted text and obsolete references; eliminating certain redundant, conflicting, and superseded provisions; making miscellaneous technical corrections to statutes and other laws; amending Minnesota Statutes 1988, sections 10A.01, subdivisions 5 and 18; 10A.32, subdivision 3a; 13.46, subdivision 2; 13.75, subdivision 2; 16A.26; 16B.28, subdivision 3; 18B.25, subdivision 4; 45.028, subdivision 1; 69.32; 105.81; 115A.195; 115C.08, subdivision 3; 116.44, subdivision 1; 122.23, subdivision 18; 122.96, subdivision 3; 124.646, subdivision 1; 124A.24; 124A.27, subdivision 1; 127.35; 136C.61, subdivision 1; 136D.27, subdivision 3; 136D.71; 136D.74, subdivision 2b; 136D.741, subdivision 4; 136D.87, subdivision 3; 141.35; 144.122; 144.335, subdivision 2; 145A.07, subdivision 1; 145A.13; 157.03; 168.33, subdivision 2; 168A.24, subdivision 2; 168A.29, subdivision 3; 169.345, subdivision 2; 176.081, subdivision 1; 176.101, subdivision 3e; 176.131, subdivision 1; 176.421, subdivision 7; 205.065, subdivision 1; 205.18, subdivision 2; 211B.15, subdivision 4; 214.01, subdivision 2; 245.77; 256.01, subdivision 2; 256.991; 256B.69, subdivision 16; 256D.03, subdivision 4; 256G.02, subdivision 4; 256G.06; 257.354, subdivision 4; 268.04, subdivision 32; 268.10, subdivision 1; 272.02, subdivision 1; 273.124, subdivision 6; 290.05, subdivision 3; 290.92, subdivision 23; 297.07, subdivision 3; 297.35, subdivision 3; 298.2211, subdivision 1; 308.11; 340A.414, subdivision 6; 349.213, subdivision 2; 352.01, subdivision 2b; 353.01, subdivision 2a; 363.06, subdivision 4; 383B.229; 383B.77; 383C.331; 383C.334; 469.0721; 469.121, subdivision 1; 469.129, subdivision 1; 471.562, subdivision 4; 471.563; 473.605, subdivision 2; 473.845, subdivision 1; 474A.02, subdivision 18; 480A.02, subdivision 7;

485.018, subdivision 2; 515A.3-115; 525.94, subdivision 3; 548.09, subdivision 2; 604.02, subdivision 1; 609.506, subdivision 1; and 611A.53, subdivision 1; reenacting Minnesota Statutes 1988, section 80A.14, subdivision 18; repealing Minnesota Statutes 1988, sections 260.125, subdivision 6; 326.01, subdivision 21; and 362A.08; amending Laws 1976, chapter 134, section 79; Laws 1988, chapter 640, section 5; and chapter 719, article 12, section 29; repealing Laws 1965, chapter 267, section 1; Laws 1971, chapter 830, section 7; Laws 1976, chapter 2, section 62; chapter 134, section 2; chapter 163, section 10; and chapter 173, section 53; Laws 1977, chapter 35, section 8; Laws 1978, chapter 496, section 1; and chapter 706, section 31; Laws 1979, chapter 48, section 2; and chapter 184, section 3; Laws 1981, chapter 271, section 1; Laws 1982, chapter 514, section 15; Laws 1983, chapter 242, section 1; chapter 247, section 38; chapter 289, section 4; chapter 290, sections 2 and 3; chapter 299, section 26; and chapter 303, sections 21 and 22; Laws 1984, chapter 654, article 2, section 117; Laws 1986, chapter 312, section 1; chapter 400, section 43; and chapter 452, section 17; Laws 1986, First Special Session chapter 3, article 1, sections 74 and 79; and Laws 1987, chapter 268, article 5, section 5; chapter 384, article 2, section 25; chapter 385, section 7; chapter 403, article 5, section 1; and chapter 404, section 138.

The bill was read for the first time and referred to the Committee on Judiciary.

Simoneau, McGuire, Bishop, Rest and Segal introduced:

H. F. No. 1198, A bill for an act relating to public employment; defining equitable compensation relationships; requiring an implementation report; providing for review of plans; providing for appeals from a decision of the commissioner; amending Minnesota Statutes 1988, sections 471.992, by adding subdivisions; 471.9981, subdivision 6, and by adding subdivisions.

The bill was read for the first time and referred to the Committee on Governmental Operations.

## CONSENT CALENDAR

H. F. No. 937, A bill for an act relating to commerce; uniform commercial code; providing a 20-day notice period for certain fixture filings; amending Minnesota Statutes 1988, section 336.9-313.

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	Frederick	Knickerbocker	Onnen	Schreiber
Anderson, G.	Frerichs	Kostohryz	Orenstein	Seaberg
Anderson, R.	Girard	Krueger	Osthoff	Segal
Battaglia	Greenfield	Lasley	Ostrom	Simoneau
Bauerly	Gruenes	Lieder	Otis	Skoglund
Beard	Gutknecht	Limmer	Ozment	Solberg
Begich	Hartle	Lynch	Pappas	Sparby
Bennett	Hasskamp	Macklin	Pauly	Stanius
Bertram	Haukoos	Marsh	Pellow	Steensma
Bishop	Heap	McDonald	Pelowski	Swiggon
Blatz	Henry	McEachern	Peterson	Swenson
Boo	Himle	McGuire	Poppenhagen	Tjornhom
Brown	Hugoson	McPherson	Price	Tompkins
Burger	Jacobs	Milbert	Pugh	Trimble
Carlson, D.	Janezich	Miller	Quinn	Tunheim
Carlson, L.	Jaros	Morrison	Redalen	Uphus
Carruthers	Jefferson	Munger	Reding	Valento
Clark	Jennings	Murphy	Rest	Vellenga
Conway	Johnson, A.	Nelson, C.	Rice	Wagenius
Cooper	Johnson, R.	Neuenschwander	Richter	Waltman
Dauner	Johnson, V.	O'Connor	Rodosovich	Weaver
Dawkins	Kahn	Ogren	Rukavina	Welle
Dempsey	Kalis	Olsen, S.	Runbeck	Wenzel
Dille	Kelly	Olson, E.	Sarna	Williams
Dorn	Kelso	Olson, K.	Schafer	Winter
Forsythe	Kinkel	Omann	Scheid	Wynia
				Spk. Vanasek

The bill was passed and its title agreed to.

## CALENDAR

H. F. No. 300, A bill for an act relating to occupational safety and health; increasing certain penalties; proposing changes to the employee right-to-know act of 1984; amending Minnesota Statutes 1988, sections 182.651, subdivisions 7, 14, 15, and by adding a subdivision; and 182.653, subdivisions 4b, 4c, and 4f; repealing Minnesota Statutes 1988, section 182.651, subdivision 16.

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	Bauerly	Bertram	Brown	Carruthers
Anderson, G.	Beard	Bishop	Burger	Clark
Anderson, R.	Begich	Blatz	Carlson, D.	Conway
Battaglia	Bennett	Boo	Carlson, L.	Cooper

Dauner	Jennings	McPherson	Pelowski	Sparby
Dawkins	Johnson, A.	Milbert	Peterson	Stanius
Dempsey	Johnson, R.	Miller	Poppenhagen	Steensma
Dille	Johnson, V.	Morrison	Price	Sviggum
Dorn	Kahn	Munger	Pugh	Swenson
Forsythe	Kalis	Murphy	Quinn	Tjornhom
Frederick	Kelly	Nelson, C.	Redalen	Tompkins
Frerichs	Kelso	Neuenschwander	Reding	Trimble
Girard	Kinkel	O'Connor	Rest	Tunheim
Greenfield	Knickerbocker	Ogren	Rice	Uphus
Gruenes	Kostohryz	Olsen, S.	Richter	Valento
Gutknecht	Krueger	Olson, E.	Rodosovich	Vellenga
Hartle	Lasley	Olson, K.	Rukavina	Wagenius
Hasskamp	Lieder	Omann	Runbeck	Waltman
Haukoos	Limmer	Onnen	Sarna	Weaver
Heap	Long	Orenstein	Schafer	Welle
Henry	Lynch	Osthoff	Scheid	Wenzel
Himle	Macklin	Ostrom	Schreiber	Williams
Hugoson	Marsh	Otis	Seaberg	Winter
Jacobs	McDonald	Ozment	Segal	Wymia
Janezich	McEachern	Pappas	Simoneau	Spk. Vanasek
Jaros	McGuire	Pauly	Skoglund	
Jefferson	McLaughlin	Pellow	Solberg	

The bill was passed and its title agreed to.

H. F. No. 481, A bill for an act relating to the city of Mora; authorizing the city to negotiate certain contracts.

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	Dorn	Kalis	Neuenschwander	Rest
Anderson, G.	Forsythe	Kelso	O'Connor	Rice
Anderson, R.	Frederick	Kinkel	Ogren	Richter
Battaglia	Frerichs	Knickerbocker	Olsen, S.	Rodosovich
Bauerly	Girard	Kostohryz	Olson, E.	Rukavina
Beard	Greenfield	Krueger	Olson, K.	Rumbeck
Begich	Gruenes	Lasley	Omann	Sarna
Bennett	Gutknecht	Lieder	Onnen	Schafer
Bertram	Hartle	Limmer	Orenstein	Scheid
Bishop	Hasskamp	Long	Osthoff	Schreiber
Blatz	Haukoos	Lynch	Ostrom	Seaberg
Boo	Heap	Macklin	Otis	Segal
Brown	Henry	Marsh	Ozment	Simoneau
Burger	Himle	McDonald	Pappas	Skoglund
Carlson, D.	Hugoson	McEachern	Pauly	Solberg
Carlson, L.	Jacobs	McGuire	Pellow	Sparby
Carruthers	Janezich	McLaughlin	Pelowski	Stanius
Clark	Jaros	McPherson	Peterson	Steensma
Conway	Jefferson	Milbert	Poppenhagen	Sviggum
Cooper	Jennings	Miller	Price	Swenson
Dauner	Johnson, A.	Morrison	Pugh	Tjornhom
Dawkins	Johnson, R.	Munger	Quinn	Tompkins
Dempsey	Johnson, V.	Murphy	Redalen	Trimble
Dille	Kahn	Nelson, C.	Reding	Tunheim

Uphus	Wagenius	Welle	Winter
Valento	Waltman	Wenzel	Wynia
Vellenga	Weaver	Williams	Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 664, A bill for an act relating to local government; providing for the appointment of certain employees of the city of Minneapolis and special school district No. 1; amending Laws 1969, chapter 937, section 1, subdivision 9, as amended.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Girard	Krueger	Onnen	Seaberg
Anderson, G.	Greenfield	Lasley	Orenstein	Segal
Battaglia	Gruenes	Lieder	Ostrom	Simoneau
Bauerly	Gutknecht	Limmer	Otis	Skoglund
Beard	Hartle	Long	Ozment	Solberg
Begich	Hasskamp	Lynch	Pappas	Sparby
Bennett	Haukoos	Macklin	Pauly	Stanius
Bertram	Heap	Marsh	Pellow	Steensma
Bishop	Henry	McDonald	Pelowski	Sviggum
Blatz	Himle	McEachern	Peterson	Swenson
Boo	Hugoson	McGuire	Poppenhagen	Tjornhom
Burger	Jacobs	McLaughlin	Price	Tompkins
Carlson, D.	Janezich	McPherson	Pugh	Trimble
Carlson, L.	Jaros	Milbert	Quinn	Tanheim
Carruthers	Jefferson	Miller	Redalen	Uphus
Clark	Jennings	Morrison	Reding	Valento
Conway	Johnson, A.	Munger	Rest	Vellenga
Cooper	Johnson, R.	Murphy	Rice	Wagenius
Dauner	Johnson, V.	Nelson, C.	Richter	Waltman
Dawkins	Kahn	Neuenschwander	Rodosovich	Weaver
Dempsey	Kalis	O'Connor	Rukavina	Welle
Dille	Kelly	Ogren	Runbeck	Wenzel
Dorn	Kelso	Olsen, S.	Sarna	Williams
Forsythe	Kinkel	Olsen, E.	Schafer	Winter
Frederick	Knickerbocker	Olson, K.	Scheid	Wynia
Frerichs	Kostohryz	Omann	Schreiber	Spk. Vanasek

Those who voted in the negative were:

Osthoff

The bill was passed and its title agreed to.

## GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the

Committee of the Whole with Vanasek in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 76, 101, 135, 461 and 702 were recommended to pass.

H. F. No. 331, the first engrossment, which it recommended to pass with the following amendment offered by Price:

Page 1, after line 11, insert:

"For the purpose of this subdivision, a high school student does not include a student enrolled in an alternative education program approved by the state board of education under Minnesota Rules, part 3500.3500 or an area learning center, including area learning centers under sections 129B.52 to 129B.55 or according to section 121.11, subdivision 12."

Page 2, line 12, after "student" insert "except a student enrolled in an alternative education program approved by the state board of education under Minnesota Rules, part 3500.3500 or an area learning center, including area learning centers under sections 129B.52 to 129B.55 or according to section 121.11, subdivision 12;"

On the motion of Wynia the report of the Committee of the Whole was adopted.

#### ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll call was taken in the Committee of the Whole:

The question was taken on the motion to recommend passage of H. F. No. 331, the first engrossment, as amended, and the roll was called. There were 95 yeas and 35 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Blatz	Cooper	Jacobs	Kahn
Anderson, R.	Brown	Dawkins	Janezich	Kalis
Battaglia	Carlson, D.	Greenfield	Jaros	Kelly
Bauerly	Carlson, L.	Grüenes	Jefferson	Kelso
Beard	Carruthers	Hasskamp	Johnson, A.	Kinkel
Begich	Clark	Heap	Johnson, R.	Knickerbocker
Bertram	Conway	Himle	Johnson, V.	Kostohryz

Krueger	Morrison	Osthoff	Rice	Tunheim
Lasley	Munger	Ostrom	Rodosovich	Uphus
Lieder	Murphy	Otis	Rukavina	Vellenga
Long	Nelson, C.	Ozment	Sarna	Wagenius
Lynch	Neuenschwander	Pappas	Seaberg	Waltman
Macklin	O'Connor	Pelowski	Segal	Weaver
Marsh	Ogren	Peterson	Simoneau	Welle
McEachern	Olsen, S.	Price	Solberg	Wenzel
McGuire	Olson, E.	Pugh	Sparby	Williams
McLaughlin	Olson, K.	Quinn	Steensma	Winter
McPherson	Omann	Reding	Tjornhom	Wynia
Milbert	Orenstein	Rest	Trimble	Spk. Vanasek

Those who voted in the negative were:

Abrams	Dorn	Haukoos	Pauly	Scheid
Bennett	Forsythe	Henry	Pellow	Schreiber
Boo	Frederick	Hugoson	Poppenhagen	Stanius
Burger	Frerichs	Limmer	Redalen	Sviggunn
Dauner	Girard	McDonald	Richter	Swenson
Dempsey	Gutknecht	Miller	Runbeck	Tompkins
Dille	Hartle	Onnen	Schafer	Valento

The motion prevailed.

## MOTIONS AND RESOLUTIONS

Jacobs moved that the name of Omann be added as an author on H. F. No. 1095. The motion prevailed.

Olsen, S., moved that the name of Runbeck be added as an author on H. F. No. 1099. The motion prevailed.

Rodosovich moved that his name be stricken and the name of Hasskamp be added as chief author on H. F. No. 1114. The motion prevailed.

Begich moved that H. F. No. 1134 be recalled from the Committee on Labor-Management Relations and be re-referred to the Committee on Taxes. The motion prevailed.

## ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 2:30 p.m., Thursday, March 16, 1989. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Thursday, March 16, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION—1989

## TWENTY-SECOND DAY

SAINT PAUL, MINNESOTA, THURSDAY, MARCH 16, 1989

The House of Representatives convened at 2:30 p.m. and was called to order by Robert E. Vanasek, Speaker of the House.

Prayer was offered by Father Paul Halloran of the Church of St. Columbanus, Blooming Prairie, Minnesota.

The roll was called and the following members were present:

Abrams	Frerichs	Kostohryz	Onnen	Schreiber
Anderson, G.	Girard	Krueger	Orenstein	Seaberg
Anderson, R.	Greenfield	Lasley	Osthoff	Segal
Battaglia	Gruenes	Lieder	Ostrom	Simoneau
Bauerly	Gutknecht	Limmer	Otis	Skoglund
Begich	Hartle	Long	Ozment	Solberg
Bennett	Hasskamp	Lynch	Pappas	Sparby
Bertram	Haukoos	Macklin	Pauly	Stanius
Bishop	Heap	Marsh	Pellow	Steensma
Blatz	Henry	McDonald	Pelowski	Swiggum
Boo	Himle	McEachern	Peterson	Swenson
Brown	Hugoson	McGuire	Poppenhagen	Tjornhom
Burger	Jacobs	McLaughlin	Price	Tompkins
Carlson, D.	Janezich	McPherson	Pugh	Trimble
Carlson, L.	Jaros	Milbert	Quinn	Tunheim
Carruthers	Jefferson	Miller	Redalen	Uphus
Clark	Jennings	Munger	Reding	Valento
Conway	Johnson, A.	Nelson, C.	Rest	Vellenga
Cooper	Johnson, R.	Nelson, K.	Rice	Wagenius
Dauner	Johnson, V.	Neuenschwander	Richter	Waltman
Dawkins	Kahn	O'Connor	Rodosovich	Weaver
Dempsey	Kalis	Ogren	Rukavina	Welle
Dille	Kelly	Olson, S.	Runbeck	Wenzel
Dorn	Kelso	Olson, E.	Sarna	Williams
Forsythe	Kinkel	Olson, K.	Schafer	Winter
Frederick	Knickerbocker	Omann	Scheid	Wynia
				Spk. Vanasek

A quorum was present.

Beard, Morrison and Murphy were excused.

The Chief Clerk proceeded to read the Journal of the preceding day. McDonald 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

Pursuant to Rules of the House, printed copies of H. F. Nos. 100, 897 and 331 have been placed in the members' files.

#### REPORT PURSUANT TO RULE 5.10

Wynia, pursuant to House Rule 5.10, announced that the fiscal impact of H. F. No. 46 will be accounted for in the budget resolution to be adopted by the Minnesota House of Representatives by no later than April 6, 1989.

#### REPORTS OF STANDING COMMITTEES

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 13, A bill for an act relating to courts; raising the jurisdictional limit on claims heard in conciliation court; amending Minnesota Statutes 1988, sections 487.30, subdivision 1; 488A.12, subdivision 3; 488A.14, subdivision 6; 488A.29, subdivision 3; and 488A.31, subdivision 6.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 487.30, subdivision 1, is amended to read:

Subdivision 1. The conciliation court shall hear and determine civil claims if the amount of money or property which is the subject matter of the claim does not exceed ~~\$2,000~~ \$3,500 for the determination thereof without jury trial and by a simple and informal procedure. The rules of the supreme court shall provide for a right of appeal from the decision of the conciliation court to the county court for a trial on the merits. The territorial jurisdiction of a conciliation court shall be coextensive with the county in which the court is established.

Sec. 2. Minnesota Statutes 1988, section 487.30, subdivision 5, is amended to read:

Subd. 5. [SATISFACTION OF JUDGMENT.] If (1) a conciliation court judgment has been docketed in county court for a period of at least 30 days, (2) the judgment is not satisfied, and (3) the parties have not otherwise agreed, the county court shall, upon the request

of the judgment creditor, order the judgment debtor to mail to the judgment creditor information as to the nature, amount, identity, and location of all the debtor's assets, liabilities, and personal earnings. The information shall be provided on a form prescribed by the supreme court and shall be sufficiently detailed to enable the judgment creditor to obtain satisfaction of the judgment by way of execution on nonexempt assets and earnings of the judgment debtor. The form shall be written in a clear and coherent manner using words with common and everyday meanings, shall summarize the execution and garnishment exemptions and limitations applicable to assets and earnings, and shall permit the judgment debtor to identify on the form those assets and earnings that the debtor considers to be exempt from execution or garnishment. The order shall contain a notice that failure to complete the form and mail it to the judgment creditor within ten days after service of the order may result in a citation for contempt of court unless the judgment is satisfied prior to the expiration of that period. A judgment debtor who intentionally fails to comply with the order of the court may be cited for civil contempt of court. Cash bail posted, as a result of being cited for civil contempt of court under this statute may be ordered made payable to the creditor to satisfy the judgment, either partially or fully.

Sec. 3. Minnesota Statutes 1988, section 488A.12, subdivision 3, is amended to read:

Subd. 3. [JURISDICTION.] (a) Excepting actions involving title to real estate, the court has jurisdiction to hear, conciliate, try, and determine civil actions at law where the amount in controversy does not exceed the sum of ~~\$2,000~~ \$3,500. The territorial jurisdiction of the court is coextensive with the geographic boundaries of the county of Hennepin.

(b) Notwithstanding the provisions of paragraph (a), or any rule of court to the contrary, the conciliation court of Hennepin county has jurisdiction to determine an action brought pursuant to section 504.20 for the recovery of a deposit on rental property located in whole or in part in Hennepin county, and the summons in the action may be served anywhere within the state of Minnesota.

(c) Notwithstanding the provisions of paragraph (a), or any rule of court to the contrary, the conciliation court of Hennepin county has jurisdiction to determine a civil action commenced by a plaintiff, a resident of Hennepin county, to recover the amount of a dishonored check issued in the county, even though the defendant or defendants are not residents of Hennepin county, if the notice of nonpayment or dishonor described in section 609.535, subdivision 3, is sent to the maker or drawer as specified therein and the notice states that the payee or holder of the check may commence a conciliation court action in the county where the dishonored check was issued to recover the amount of the check. This clause does not apply to a

check that has been dishonored by a stop payment order. Notwithstanding any law or rule of civil procedure to the contrary, the summons in any action commenced under this clause may be served anywhere within the state of Minnesota. The conciliation court administrator shall attach a copy of the dishonored check to the summons before it is issued.

(d) Notwithstanding the provisions of paragraph (a) or any rule of court to the contrary, the conciliation court of Hennepin county has jurisdiction to determine a civil action commenced by a plaintiff educational institution, including but not limited to, a state university or community college, with administrative offices in the county in which the conciliation court is located, to recover the amount of a student loan or loans even though the defendant or defendants are not residents of Hennepin county under the following conditions:

(1) the student loan or loans were originally awarded in Hennepin county;

(2) the loan or loans are overdue at the time the action is commenced;

(3) the amount sought in any single action does not exceed \$2,000 \$3,500;

(4) notice that payment on the loan is overdue has previously been sent by first class mail to the borrower to the last known address reported by the borrower to the educational institution; and

(5) the notice states that the educational institution may commence a conciliation court action in Hennepin county to recover the amount of the loan.

Notwithstanding any law or rule or civil procedure to the contrary, a summons in any action commenced under this clause may be served anywhere within the state of Minnesota. The conciliation court administrator shall attach a copy of the overdue loan or loans to the summons before it is issued.

Sec. 4. Minnesota Statutes 1988, section 488A.14, subdivision 6, is amended to read:

Subd. 6. [REPLEVIN.] If the controversy concerns the ownership or possession, or both, of personal property the value of which does not exceed the sum of \$2,000 \$3,500, the judge may direct an officer of the court to take possession of the property immediately and hold it subject to the further order of the court, without the giving of any bond whatever.

Sec. 5. Minnesota Statutes 1988, section 488A.16, subdivision 8, is amended to read:

Subd. 8. [DOCKETING AND ENFORCEMENT IN MUNICIPAL COURT.] When a judgment has become finally effective under subdivision 2, the judgment creditor may obtain a transcript of the judgment from the court administrator of conciliation court on payment of a fee of 50 cents and file it with the court administrator of the municipal court of the county of Hennepin. After filing of the transcript, the judgment becomes, and is enforceable as, a judgment of the municipal court. No writ of execution or garnishment summons may be issued out of conciliation court. If (1) a conciliation court judgment has been docketed as a municipal court judgment for a period of at least 30 days, (2) the judgment is not satisfied, and (3) the parties have not otherwise agreed, the municipal court shall, upon the request of the judgment creditor, order the judgment debtor to mail to the judgment creditor information as to the nature, amount, identity, and location of all the judgment debtor's assets, liabilities, and personal earnings. The information shall be provided on a form prescribed by the supreme court and shall be sufficiently detailed to enable the judgment creditor to obtain satisfaction of the judgment by way of execution on nonexempt assets and earnings of the judgment debtor. The form shall be written in a clear and coherent manner using words with common and everyday meanings, shall summarize the execution and garnishment exemptions and limitations applicable to assets and earnings, and shall permit the judgment debtor to identify on the form those assets and earnings that the judgment debtor considers to be exempt from execution or garnishment. The order shall contain a notice that failure to complete the form and mail it to the judgment creditor within ten days after service of the order may result in a citation for contempt of court unless the judgment is satisfied prior to the expiration of that period. A judgment debtor who intentionally fails to comply with the order of the court may be cited for civil contempt of court. Cash bail posted, as a result of being cited for civil contempt of court under this statute may be ordered made payable to the creditor to satisfy the judgment, either partially or fully.

Sec. 6. Minnesota Statutes 1988, section 488A.29, subdivision 3, is amended to read:

Subd. 3. [JURISDICTION.] (a) Excepting actions involving title to real estate, the court has jurisdiction to hear, conciliate, try and determine civil actions at law where the amount in controversy does not exceed the sum of \$2,000 \$3,500. The territorial jurisdiction of the court is coextensive with the geographic boundaries of the county of Ramsey.

(b) Notwithstanding the provisions of paragraph (a) or any rule of court to the contrary, the conciliation court of Ramsey county has jurisdiction to determine an action brought pursuant to section

504.20 for the recovery of a deposit on rental property located in whole or in part in Ramsey county, and the summons in the action may be served anywhere in the state of Minnesota.

(c) Notwithstanding the provisions of paragraph (a) or any rule of court to the contrary, the conciliation court of Ramsey county has jurisdiction to determine a civil action commenced by a plaintiff, resident of Ramsey county, to recover the amount of a dishonored check issued in the county, even though the defendant or defendants are not residents of Ramsey county, if the notice of nonpayment or dishonor described in section 609.535, subdivision 3, is sent to the maker or drawer as specified therein and the notice states that the payee or holder of the check may commence a conciliation court action in the county where the dishonored check was issued to recover the amount of the check. This clause does not apply to a check that has been dishonored by a stop payment order. Notwithstanding any law or rule of civil procedure to the contrary, the summons in any action commenced under this clause may be served anywhere within the state of Minnesota. The conciliation court administrator shall attach a copy of the dishonored check to the summons before it is issued.

(d) Notwithstanding the provisions of paragraph (a) or any rule of court to the contrary, the conciliation court of Ramsey county has jurisdiction to determine a civil action commenced by a plaintiff educational institution, including but not limited to, a state university or community college, with administrative offices in the county in which the conciliation court is located, to recover the amount of a student loan or loans even though the defendant or defendants are not residents of Ramsey county under the following conditions:

(1) the student loan or loans were originally awarded in Ramsey county;

(2) the loan or loans are overdue at the time the action is commenced;

(3) the amount sought in any single action does not exceed ~~\$2,000~~ \$3,500;

(4) notice that payment on the loan is overdue has previously been sent by first class mail to the borrower to the last known address reported by the borrower to the educational institution; and

(5) the notice states that the educational institution may commence a conciliation court action in Ramsey county to recover the amount of the loan.

Notwithstanding any law or rule or civil procedure to the contrary, a summons in any action commenced under this clause may be

served anywhere within the state of Minnesota. The conciliation court administrator shall attach a copy of the overdue loan or loans to the summons before it is issued.

Sec. 7. Minnesota Statutes 1988, section 488A.31, subdivision 6, is amended to read:

Subd. 6. [REPLEVIN.] If the controversy concerns the ownership or possession, or both, of personal property the value of which does not exceed the sum of ~~\$2,000~~ \$3,500, the judge may direct an officer of the court to take possession of the property immediately and hold it subject to the further order of the court, without the giving of any bond whatever.

Sec. 8. Minnesota Statutes 1988, section 488A.33, subdivision 7, is amended to read:

Subd. 7. [DOCKETING AND ENFORCEMENT IN MUNICIPAL COURT.] When a judgment has become final under subdivision 2, the judgment creditor may obtain a transcript of the judgment from the administrator of conciliation court and file it with the administrator of the municipal court upon payment of the filing fees as prescribed for the municipal court. After filing of the transcript, the judgment becomes, and is enforceable as, a judgment of the municipal court. A transcript of a judgment payable in installments may not be obtained and filed until 20 days after default in the payment of an installment. No writ of execution nor garnishment summons may be issued out of conciliation court. If (1) a transcript of a judgment has been filed for a period of at least 30 days, (2) the judgment is not satisfied or an installment of it remains overdue, and (3) the parties have not otherwise agreed, the municipal court shall, upon the request of the judgment creditor, order the judgment debtor to mail to the judgment creditor information as to the nature, amount, identity, and location of all the judgment debtor's assets, liabilities, and personal earnings. The information shall be provided on a form prescribed by the supreme court and shall be sufficiently detailed to enable the judgment creditor to obtain satisfaction of the judgment by way of execution on nonexempt assets and earnings of the judgment debtor. The form shall be written in a clear and coherent manner using words with common and everyday meanings, shall summarize the execution and garnishment exemptions and limitations applicable to assets and earnings, and shall permit the judgment debtor to identify on the form those assets and earnings that the judgment debtor considers to be exempt from execution or garnishment. The order shall contain a notice that failure to complete the form and mail it to the judgment creditor within ten days after service of the order may result in a citation for contempt of court unless the judgment is satisfied prior to the expiration of that period. A judgment debtor who intentionally fails to comply with the order of the court may be cited for civil contempt of court. Cash bail posted, as a result of being cited for civil contempt of court

under this statute may be ordered made payable to the creditor to satisfy the judgment, either partially or fully.

Sec. 9. [CONCILIATION COURT STUDY COMMISSION.]

A conciliation court study commission is created. The study commission consists of three persons appointed by the speaker of the house of representatives, one of whom shall be a member of the house of representatives, three persons appointed by the majority leader of the senate, one of whom shall be a member of the senate, and three persons appointed by the supreme court. The study commission shall examine the current and alternative methods of obtaining and enforcing conciliation court judgments and the jurisdictional limits of conciliation court. Not later than January 15, 1990, the study commission shall report its findings to the legislature along with any recommendations for legislative action.

Sec. 10. [CONCILIATION COURT JURISDICTION AMOUNTS.]

Subdivision 1. [INCREASE IN LIMITS.] The conciliation court jurisdictional limits provided in sections 1, 3, 4, 6, and 7 shall increase to \$4,000 on July 1, 1990.

Subd. 2. [REVISOR'S INSTRUCTION.] The revisor of statutes is directed to insert the changes in the conciliation court jurisdictional amount provided by subdivision 1 in Minnesota Statutes 1990, and subsequent editions of the statutes.

Sec. 11. [EFFECTIVE DATE.]

Sections 1 to 8 are effective July 1, 1989. Section 9 is effective June 1, 1989."

Delete the title and insert:

"A bill for an act relating to courts; raising the jurisdictional limit on claims heard in conciliation court; permitting bail in civil contempt cases to be used to satisfy the judgment; establishing a conciliation court study commission; requiring a report; amending Minnesota Statutes 1988, sections 487.30, subdivisions 1 and 5; 488A.12, subdivision 3; 488A.14, subdivision 6; 488A.16, subdivision 8; 488A.29, subdivision 3; 488A.31, subdivision 6; and 488A.33, subdivision 7."

With the recommendation that when so amended the bill pass.

The report was adopted.

Anderson, G., from the Committee on Appropriations to which was referred:

H. F. No. 46, A bill for an act relating to transportation; increasing amount authorized for state transportation bonds for bridges; amending Laws 1979, chapter 280, sections 1 and 2, as amended.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

### “ARTICLE 1

### DEFICIENCY APPROPRIATIONS

#### Section 1. APPROPRIATIONS

The sums shown in the column marked “APPROPRIATIONS” are appropriated from the general fund, or another fund named, to the agencies and for the purposes specified in this article, to be available for the fiscal year ending June 30, 1989.

#### SUMMARY BY FUND

General	\$2,851,500
Special Revenue	642,000
<b>TOTAL</b>	<b>\$3,493,500</b>

**APPROPRIATIONS**  
Available for the Year  
Ending June 30, 1989

#### Sec. 2. EDUCATION AIDS

Department of Education

Education Aids Law Litigation	\$116,000
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This appropriation is added to the appropriation in Laws 1987, chapter 398, article 10, section 2, subdivision 3.

### Sec. 3. HIGHER EDUCATION

State University Board

500,000

This appropriation is to pay a special assessment by the city of Mankato for the cost of reconstruction and improvement of Val Imm Drive and is added to the appropriation in Laws 1987, chapter 401, section 5, subdivision 3.

### Sec. 4. HEALTH AND HUMAN SERVICES

Subdivision 1. Human Services

957,000

This appropriation is to pay the cost of Minnesota supplemental assistance and general assistance medical care to replace medical assistance formerly provided to residents of institutions for mental disease and is added to the appropriation in Laws 1987, chapter 403, article 1, section 2, subdivision 6.

Effective January 1, 1989, and until June 30, 1989, a residential facility certified to participate in the medical assistance program, licensed as a board and care home or nursing home, and declared to be an institution for mental diseases by January 1, 1989, is exempt from the maximum negotiated rate in section 256D.37. The rate for eligible individuals residing in these facilities is the individual's medical assistance rate using the individual's assigned case mix classification. Counties must be reimbursed for payments made between January 1, 1989, and June 30, 1989, to certified nursing homes and board and care homes declared institutions for mental diseases by January 1, 1989, on behalf of persons otherwise eligible for medical assistance, not to exceed the state share of supplemental aid funds expended for each person at the appropriate medical assistance rate.

Effective January 1, 1989, and until June 30, 1989, general assistance medical care may be paid for any person who is over age 18 and would be eligible for medical assistance except that the person resides in a facility that is determined by the commissioner or the federal health care financing administration to be an institution for mental diseases. Effective January 1, 1989, and until June 30, 1989, reimbursement under general assistance medical care shall be made for case management services, psychological services, and medical supplies for a person with serious and persistent mental illness who would be eligible for medical assistance except that the person resides in an institution for mental diseases.

Notwithstanding any other law to the contrary, and with the approval of the commissioner of finance, the commissioner of human services may transfer any unencumbered funds from any department account, except the income maintenance entitlement accounts, to the regional treatment salary account during fiscal year 1989. Any such funds moved must be identified to the chair of the senate finance subcommittee on health and human services and the house appropriations division on health and human services.

#### Subd. 2. Health-Related Boards

The appropriations in this subdivision are from the special revenue fund and are added to the appropriations in Laws 1987, chapter 403, article 1, section 10.

(a) Board of Optometry	4,000
(b) Board of Podiatry	16,000
(c) Board of Pharmacy	10,000
(d) Board of Psychology	6,000

(e) Board of Veterinary Medicine 6,000

**Sec. 5. AGRICULTURE, TRANSPORTATION, SEMI-STATE ACTIVITIES**

**Subdivision 1. Public Safety**

Disaster Relief 212,000

This appropriation is added to the appropriation in Laws 1987, chapter 358, section 5, subdivision 3.

**Subd. 2. Agriculture**

(a) Laboratory Equipment to Test for Aflatoxin 75,000

This appropriation is added to the appropriation in Laws 1987, chapter 358, section 7, subdivision 2.

(b) Costs of Testing for the Varroa Mite 52,000

This appropriation is added to the appropriation in Laws 1987, chapter 358, section 7, subdivision 2.

(c) Haylift 100,000

This appropriation is for another haylift to help farmers who are short of hay to feed their livestock.

**Subd. 3. State Historical Society 5,500**

This appropriation is to the state archeologist.

**Sec. 6. STATE DEPARTMENTS**

**Subdivision 1. Board of Public Defense**

Trial Transcripts 160,000

This appropriation is added to the appropriation in Laws 1987, chapter 404, section 7.

Subd. 2. Attorney General

(a) Education Aids Law Litigation 61,000

This appropriation is added to the appropriation in Laws 1987, chapter 404, section 13, subdivision 4.

(b) LTV and Reserve Bankruptcy Litigation 75,000

This appropriation is added to the appropriation in Laws 1987, chapter 404, section 13, subdivision 5.

Subd. 3. Secretary of State

The reimbursement to the general fund of \$500,000 required by Laws 1987, chapter 356, section 5, subdivision 2, is reduced to \$200,000.

Subd. 4. Administration

Volunteer Services 70,000

This appropriation is added to the appropriation in Laws 1987, chapter 404, section 16, subdivision 2.

Subd. 5. Finance

(a) Biennial Budget System 150,000

This appropriation is added to the appropriation in Laws 1987, chapter 404, section 18, subdivision 4.

(b) College Savings Bonds 22,000

Subd. 6. Employee Relations

Applicant Processing System 40,000

This appropriation is added to the appropriation in Laws 1987, chapter 404, section 31, subdivision 4.

Subd. 7. Natural Resources

(a) Drought Emergency 201,000

This appropriation is added to the appropriation in Laws 1987, chapter 404, section 22, subdivisions 3 and 8.

(b) Park Operations 600,000

This appropriation is from the state park maintenance and operation account in the special revenue fund and is added to the appropriation in Laws 1987, chapter 404, section 22, subdivision 5.

Subd. 8. Veterans Affairs

Veterans Relief 55,000

This appropriation is added to the appropriation in Laws 1987, chapter 404, section 36, subdivision 2.

Sec. 7. Minnesota Statutes 1988, section 148B.40, subdivision 3, is amended to read:

Subd. 3. [MENTAL HEALTH SERVICE PROVIDER.] "Mental health service provider" or "provider" means any person who provides, for a remuneration, mental health services as defined in subdivision 4. It does not include persons licensed by the board of medical examiners under chapter 147; the board of nursing under sections 148.171 to 148.285; or the board of psychology under sections 148.88 to 148.98; the board of social work under sections 148B.18 to 148B.28; the board of marriage and family therapy under sections 148B.29 to 148B.39; or another licensing board if the person is practicing within the scope of the license. In addition, the term does not include employees of the state of Minnesota or any of its political subdivisions while acting within the scope of their public employment; hospital and nursing home social workers exempt from licensure by the board of social work under section 148B.28, subdivision 6, including hospital and nursing home social workers acting as marriage and family counselors within the scope of their employment by the hospital or nursing home; and persons certified

as chemical dependency professionals by the Institute for Chemical Dependency Professionals of Minnesota, Inc.

Sec. 8. Minnesota Statutes 1988, section 148B.42, is amended by adding a subdivision to read:

Subd. 6. [FILING FEE.] The fee for filing as a mental health service provider shall be \$50. This fee shall remain in effect until such time as permanent rules establishing fees for filing under this section are in effect.

Sec. 9. Minnesota Statutes 1988, section 327.20, subdivision 1, is amended to read:

Subdivision 1. [RULES.] No domestic animals or house pets of occupants of manufactured home parks or recreational camping areas shall be allowed to run at large, or commit any nuisances within the limits of a manufactured home park or recreational camping area. Each manufactured home park or recreational camping area licensed under the provisions of sections 327.10, 327.11, 327.14 to 327.28 shall, among other things, provide for the following, in the manner hereinafter specified:

(1) A responsible attendant or caretaker shall be in charge of every manufactured home park or recreational camping area at all times, who shall maintain the park or area, and its facilities and equipment in a clean, orderly and sanitary condition. In any manufactured home park containing more than 50 lots, the attendant, caretaker, or other responsible park employee, shall be readily available at all times in case of emergency.

(2) All manufactured home parks shall be well drained and be located so that the drainage of the park area will not endanger any water supply. No waste water from manufactured homes or recreational camping vehicles shall be deposited on the surface of the ground. All sewage and other water carried wastes shall be discharged into a municipal sewage system whenever available. When a municipal sewage system is not available, a sewage disposal system acceptable to the state commissioner of health shall be provided.

(3) No manufactured home shall be located closer than three feet to the side lot lines of a manufactured home park, if the abutting property is improved property, or closer than ten feet to a public street or alley. Each individual site shall abut or face on a driveway or clear unoccupied space of not less than 16 feet in width, which space shall have unobstructed access to a public highway or alley. There shall be an open space of at least ten feet between the sides of adjacent manufactured homes including their attachments and at least three feet between manufactured homes when parked end to end. The space between manufactured homes may be used for the

parking of motor vehicles and other property, if the vehicle or other property is parked at least ten feet from the nearest adjacent manufactured home position. The requirements of this paragraph shall not apply to recreational camping areas and variances may be granted by the state commissioner of health in manufactured home parks when the variance is applied for in writing and in the opinion of the commissioner the variance will not endanger the health, safety, and welfare of manufactured home park occupants.

(4) An adequate supply of water of safe, sanitary quality shall be furnished at each manufactured home park or recreational camping area. The source of the water supply shall first be approved by the state department of health. At least one water supply outlet shall be provided at convenient locations throughout the manufactured home park or recreational camping area.

(5) All plumbing shall be installed in accordance with the rules of the state commissioner of health and the provisions of the Minnesota plumbing code.

(6) In the case of a manufactured home park with less than ten manufactured homes, a plan for the sheltering or the safe evacuation to a safe place of shelter of the residents of the park in times of severe weather conditions, such as tornadoes, high winds, and floods. The shelter or evacuation plan shall be developed with the assistance and approval of the municipality where the park is located and shall be posted at conspicuous locations throughout the park. Nothing in this paragraph requires the department of health to review or approve any shelter or evacuation plan developed by a park. Failure of a municipality to approve a plan submitted by a park shall not be grounds for action against the park by the department of health if the park has made a good faith effort to develop the plan and obtain municipal approval.

(7) A manufactured home park with ten or more manufactured homes, licensed prior to March 1, 1988, shall provide a safe place of shelter for park residents or a plan for the evacuation of park residents to a safe place of shelter within a reasonable distance of the park for use by park residents in times of severe weather, including tornadoes and high winds. The shelter or evacuation plan must be approved by the municipality by March 1, 1989. The municipality may require the park owner to construct a shelter if it determines that a safe place of shelter is not available within a reasonable distance from the park. A copy of the municipal approval and the plan shall be submitted by the park owner to the department of health. Failure of a municipality to act on a plan submitted by a park is not grounds for action against the park by the department of health if the park has made a good faith effort to develop the plan and obtain municipal approval.

(8) A manufactured home park with ten or more manufactured

homes, receiving a primary license after March 1, 1988, must provide the type of shelter required by section 327.205.

Sec. 10. [EFFECTIVE DATE.]

This article is effective the day after its final enactment.

ARTICLE 2

PROCEEDS OF STRIPPER WELL LITIGATION

Section 1. [STRIPPER WELL LITIGATION.]

Subdivision 1. The appropriations in this section are added to the appropriations made in Laws 1986, chapter 686, article 1, section 37, and are available immediately after enactment.

Subd. 2. \$173,500 is appropriated to the commissioner of administration for a grant to Bemidji State University for research on the biotechnical conversion of peat to energy and other useful products.

Subd. 3. \$272,800 is appropriated to the commissioner of administration for a grant to the University of Minnesota, Crookston, for research on short rotation intensive culture of hybrid poplars for the production of petroleum substitutes.

Subd. 4. \$272,900 is appropriated to the commissioner of administration for a grant to the city of Minneapolis energy office to develop programs for promoting energy efficiency in multifamily buildings and small businesses.

Subd. 5. \$336,000 is appropriated to the commissioner of administration for a grant to the University of Minnesota southwest experiment station for research and on farm adoption of energy efficient and conservation farming methods in Minnesota.

Subd. 6. \$284,000 is appropriated to the commissioner of administration for a grant to the University of Minnesota, St. Anthony Falls hydraulics laboratory for economic hydropower development in Minnesota.

Subd. 7. \$102,500 is appropriated to the commissioner of administration for a grant to the self-reliance center for a demonstration program on low cost furnace efficiency.

Subd. 8. \$45,000 is appropriated to the commissioner of administration for a grant to the Staples technical institute a natural air and low temperature grain drying demonstration project.

Subd. 9. \$107,500 is appropriated to the commissioner of administration for a grant to the energy resource center for a project evaluating domestic hot water supply options in multifamily buildings.

Subd. 10. \$255,000 is appropriated to the commissioner of administration for a grant to upper Minnesota valley regional development commission for research and analysis of the biological, engineering, and economic issues surrounding the lowering of feedstock costs into polyhydroxybutyrate (PHBV) biodegradable plastic resin plants.

Subd. 11. \$57,000 is appropriated to the commissioner of administration for a grant to the University of Minnesota extension service: 4H youth development for a University of Minnesota bicycle promotion program to increase the number of bicycle commuters.

Subd. 12. \$724,000 is appropriated to the commissioner of administration for a grant to the University of Minnesota cold climate research center for research and demonstration projects using alternative sources of energy and to promote energy efficiency in buildings located in cold climates.

Subd. 13. \$100,000 is appropriated to the commissioner of administration for administration of the grants program. One complement position is authorized.

Subd. 14. It is a condition of acceptance of the appropriations made by this section that the agency or entity receiving the appropriation must submit semiannual progress reports and work plans in the form determined by the Minnesota future resources commission.

Sec. 2. [REPEALER.]

Laws 1988, chapter 686, article 1, section 37, subdivision 10, is repealed.

Sec. 3. [EFFECTIVE DATE.]

This article is effective the day after its final enactment.

### ARTICLE 3

#### CAPITAL IMPROVEMENTS

##### Section 1. CAPITAL IMPROVEMENTS APPROPRIATIONS

The sums in the column marked "APPROPRIATIONS" are appropriated from the state building fund, or another named fund, to the state agencies indicated, to be spent to acquire and to better public land and buildings and other public improvements of a capital nature, as specified in this article.

## SUMMARY

ADMINISTRATION	\$10,196,000
CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD	500,000
NATURAL RESOURCES	4,832,000
POLLUTION CONTROL AGENCY	22,600,000
TRADE AND ECONOMIC DEVELOPMENT	5,000,000
AMATEUR SPORTS COMMISSION	580,000
TECHNICAL INSTITUTES	6,126,000
COMMUNITY COLLEGES	8,237,000
STATE UNIVERSITIES	24,747,000
UNIVERSITY OF MINNESOTA	13,755,000
EDUCATION	3,000,000
HUMAN SERVICES	15,299,000
CORRECTIONS	2,881,000
HEALTH	520,000
VETERANS HOMES BOARD	427,000
JOBS AND TRAINING	100,000
HISTORICAL SOCIETY	165,000
TRANSPORTATION	4,000,000
BOND SALE EXPENSES	120,000
TOTAL	\$123,085,000

General Fund	2,424,000
Transportation Fund	4,000,000
Building Fund	114,661,000
Reinvest in Minnesota Resources Fund	2,000,000

## STATE BONDING TOTALS

New Bonding	120,661,000
Canceled Bonding	- 44,800,000
Net Authorizations	75,861,000

## Sec. 2. ADMINISTRATION

(a) State Office Building Arbitration Award 3,799,000

(b) House Renovation 1,700,000

This appropriation for the remodeling of the House, including the chamber. Any plans developed for the project shall include design requirements for an automated chamber.

(c) Minnesota Public Radio 393,000

This appropriation is for equipment grants to Minnesota Public Radio.

(d) Handicapped Accessibility 2,000,000

(e) Asbestos Removal

\$1,000,000 of the funds received by the state as a part of the court settlement known as State of Minnesota v. Acands Inc., et al is appropriated from the general fund to the Department of Military Affairs for the purpose of asbestos abatement in state armories and asbestos abatement and code violations at building U-1 at Camp Ripley. Funds for building U-1 are only available upon demonstration to the commissioner of

finance that federal money is available for this project. The balance of the funds received as a part of this settlement are appropriated to the commissioner of administration for the purpose of asbestos removal in state buildings that have been identified as constituting risk factors 5 and 4 in the evaluation studies dated January 18, 1984, and March 21, 1984, or in other subsequent evaluations done by recognized asbestos testing consultants that identify the most hazardous sites.

(f) Administration

1,304,000

This appropriation is to the commissioner of administration from the general fund for agency relocation expenses.

Sec. 3. CAPITOL AREA ARCHITECTURAL AND PLANNING BOARD

Office Building Planning

500,000

\$125,000 of this appropriation is for the site selection work to select two sites in the capitol area for the construction of future state office buildings to house executive branch agencies and is available immediately upon enactment.

\$375,000 of this appropriation is for the design competition necessary for one office building in the capitol area for housing executive branch agencies.

Sec. 4. NATURAL RESOURCES

(a) Trail Acquisition/Development

1,200,000

Included in this appropriation are funds for appraisal of the Paul Bunyan Trail and engineering and initial development of the Soo Line Trail.

(b) Reinvest in Minnesota

2,000,000

\$1,000,000 of this appropriation is for the State Critical Habitat Match.

(c) Water Bank Program 600,000

(d) Flood Damage Reduction and Prevention 1,032,000

Sec. 5. POLLUTION CONTROL AGENCY

Wastewater Treatment 22,600,000

\$4,700,000 of this appropriation is to be used for loans to municipalities as a match to the federal SRF contribution.

\$2,500,000 of this appropriation is for state grants to match federal grant monies.

\$5,000,000 of this appropriation is for combined sewer overflow.

\$3,000,000 of this appropriation is for supplemental grants to those communities identified in Minnesota Statutes, section 116.18, subdivision 3d.

\$6,000,000 of this appropriation is for supplemental grants to those communities whose fiscal year 1989 grant amounts were reduced or not awarded as a result of the appropriation made in Laws 1988, chapter 686, article 1, section 13, item (f).

\$500,000 of this appropriation is for a grant to the Western Lake Superior Sanitary District for payment of debt service on bonds issued for repair of the rupture of the Cloquet to Duluth pipeline.

\$900,000 of this appropriation is for administration of the wastewater treatment program. An approved complement of 23 positions is authorized.

Any money remaining after all grants and loans have been awarded under this item may be used for the award of grants under Minnesota Statutes, section 116.18, subdivisions 2a and 3a.

#### Sec. 6. TRADE AND ECONOMIC DEVELOPMENT

##### Duluth Harbor Dredging

5,000,000

This appropriation is for the dredging of the upper harbor area.

This appropriation is available only upon demonstration to the commissioner of finance that the city of Duluth has matched this appropriation with at least \$1,000,000 in nonstate funds.

Allotment of funds under this section is contingent upon the commissioner of finance determining that the appropriate labor and management organizations have executed agreements assuring that no management lockout or labor strike other than a nationwide strike will halt, delay, or impede shipments to or from the Duluth harbor. Local labor management disputes shall be automatically referred to binding arbitration.

#### Sec. 7. AMATEUR SPORTS COMMISSION

##### (a) Kayaking Center

280,000

This appropriation is for the kayaking center at Carlton.

##### (b) Speed skating and Bandy Center

300,000

This appropriation is for planning of the national ice skating and bandy center in Roseville.

## Sec. 8. TECHNICAL INSTITUTES

Subdivision 1. To the state board of vocational technical education for the purposes specified in this section

6,126,000

The state board shall review and report to the house appropriations and senate finance committees by January 15 of each year on the status of the capital improvement projects in this section.

Subd. 2. Post-secondary vocational technical construction in the school districts listed in this subdivision

674,000

(a) Independent School District No. 564, Thief River Falls 504,000

This appropriation is added to the appropriation in Laws 1987, chapter 400, section 17, subdivision 2, clause (p), for the same purposes. The total amount of the project may not exceed \$2,708,000.

(b) Independent School District No. 819, Wadena 170,000

This appropriation is added to the appropriation in Laws 1987, chapter 400, section 17, subdivision 2, clause (q), for the same purposes. The total amount of the project may not exceed \$2,321,000.

## Subd. 3. Statewide

5,452,000

(a) This appropriation is for statewide capital improvements including roofs, handicapped accessibility, hazardous material abatement, parking lots, electrical, mechanical, and other physical plant repair and replacement 4,488,000

(b) This appropriation is for land acquisition at the following campuses: Bemidji, Detroit Lakes, Pine City, St. Paul and Winona 964,000

## Sec. 9. COMMUNITY COLLEGES

Subdivision 1. To the commissioner of administration for the purposes specified in the following subdivisions

8,237,000

Notwithstanding Minnesota Statutes 1988, section 16B.24, subdivision 2, the state board for community colleges shall supervise and control the making of necessary repairs to all state community college buildings and structures during the biennium ending June 30, 1991.

The state board shall review and report to the house appropriations and senate finance committees by January 15 of each year on the status of the capital improvement projects in this section.

Subd. 2. Brainerd Community College

6,009,000

This appropriation is to plan, remodel, and construct drama, child care, physical education, computer lab, developmental learning, biology, library, classrooms, campus center, art studio/classroom, offices, parking, and storage areas.

Subd. 3. Southeastern Education Center

328,000

This appropriation is for schematic designs for a facility to be shared by the University of Minnesota, Rochester Community College, and Winona State University.

Subd. 4. Statewide

1,900,000

This appropriation is for statewide capital improvements including roofs, handicapped accessibility, hazardous material abatement, parking lots, electrical, mechanical, and other physical plant repair and replacement.

## Sec. 10. STATE UNIVERSITIES

Subdivision 1. To the state university board for the purposes specified in the following subdivisions

24,747,000

Notwithstanding Minnesota Statutes 1988, sections 16B.30 and 16B.31, during the biennium, the state university board shall supervise and control the preparation of plans and specifications for the construction, alteration, or enlargement of the state university buildings, structures, and improvements provided for in this section. During the biennium, the state university board shall advertise for bids and award contracts in connection with the improvements, supervise and inspect the work, approve necessary changes in the plans and specifications, approve estimates for payment, and accept the improvements when completed according to the plans and specifications.

Plans must be paid for out of this appropriation. The remainder of the appropriation must not be spent until the board has secured suitable plans and specifications, prepared by a competent architect or engineer. The plans and specifications must be accompanied by a detailed statement of the cost, quality, and description of all material and labor required for the completion of the work. No plan may be adopted, and no improvement made or building constructed, that contemplates the expenditure for its completion of more money than the appropriation for it, unless otherwise provided in this act. The board must not direct or permit an expenditure beyond the appropriation, and an agent of the board violating this provision is guilty of a gross misdemeanor.

The board shall review and report to the house appropriations and senate finance committees by January 15 of

each year on the status of the capital improvement projects in this section.

Notwithstanding Minnesota Statutes 1988, section 16B.24, subdivision 2, during the biennium, the state university board shall supervise and control the making of necessary repairs to all state university buildings and structures during the biennium ending June 30, 1991.

Notwithstanding other law, during the biennium, the state university board, on behalf of St. Cloud State and Winona State universities, may purchase property adjacent to or in the vicinity of the campuses as necessary for the development of the universities. The board shall make a written request to the department of administration, real estate management division, indicating the need to acquire property, specify the property to be acquired, and indicate the source and amount of money needed for the acquisition. The board shall proceed with the acquisition consistent with the policies and rules established by the department of administration. Before taking action, the state university board shall consult with the chairs of the senate finance committee and the house appropriations committee about the proposed action. Should either chair object to the proposed purchase, then further action must be suspended pending presentation of the proposal to the legislature for consideration.

During the biennium, the state university board must not prepare final plans and specifications for any construction or major remodeling authorized by this act until it has presented the schematic plans and cost estimates for all elements necessary to complete the project to the chairs of the house appropriations committee and the senate finance committee and the chairs have made their recommendations. The rec-

ommendations are advisory only. "Construction or major remodeling" means construction of a new building, or modifications of a building whose exterior dimension or interior configuration is altered in a material way. Reports on construction or major remodeling must summarize the current status of the individual project, the budget plan, and describe any conditions that are not consistent with the initial request, legislative testimony, or the appropriation. If applicable, schematic design documents must accompany the reports. Reports on projects that are not included in the above definition must be made before awarding bids. The reports must summarize the status of the individual projects, the budget plan, and any departure that may need to be made from the system's initial request. Architectural and design work may continue in accordance with the project schedule unless objections are raised by the chairs. If a situation arises during the planning process that requires a significant departure from the initial request or the appropriation, the state university system must notify the chairs and await their responses before authorizing further work on the plans.

Subd. 2. Bemidji Campus

150,000

This appropriation is to replace the theater lighting in Bangsberg Hall.

Subd. 3. Mankato Campus

11,200,000

This appropriation is to remodel and construct an addition to Memorial Library.

Subd. 4. Metropolitan Campus

480,000

This appropriation is for planning and remodeling of the St. John's site.

Subd. 5. Southwest Campus

365,000

This appropriation is to waterproof tunnels.

Subd. 6. Winona Campus

10,312,000

This appropriation is to construct the health and applied science building.

Subd. 7. Statewide

2,240,000

This appropriation is for statewide capital improvements including roofs and hazardous material abatement.

Subd. 8. Other Provisions

Up to \$350,000 of an unencumbered balance remaining from the money appropriated in 1987 for planning and land acquisition at Winona State University may be used for acquiring additional land adjacent to or in the vicinity of the Winona State campus.

Notwithstanding any law to the contrary, no moneys are appropriated out of the state treasury to pay any amounts under the contract (energy services agreement), and any amendments to the contract, between the state and M.E.S. Corporation for energy services at St. Cloud State University. This section confirms the intent of Laws 1987, chapter 401, section 5, subdivision 3, to limit amounts appropriated for payments to the interest costs for which appropriations were made during the 1988-1989 biennium.

Sec. 11. UNIVERSITY OF MINNESOTA

Subdivision 1. To the regents of the University of Minnesota for the purposes specified in the following subdivisions

13,755,000

The regents shall review and report to the house appropriations and senate finance committees by January 15 of

each year on the status of the capital improvement projects in this section:

Subd. 2: Twin Cities Campus 7,955,000

(a) Plan Walter Library renovation 2,270,000

(b) Plan biological sciences and basic sciences construction projects 5,685,000

Subd. 3: Statewide 5,800,000

This appropriation is for statewide health and life safety improvements.

Subd. 4: Other Provisions

The regents of the University of Minnesota may use nonstate funds for the planning of an addition to Ferguson Hall and for planning of the next phase of the Recreation Sports facility.

In addition to the purpose stated in Laws 1987, chapter 400, section 20, subdivision 8, clause (a), the regents are authorized to use the appropriation to construct an attached greenhouse.

The regents may proceed with the upgrading of the indoor-outdoor track facility.

Sec. 12: EDUCATION 3,000,000

This appropriation is from the state building fund to the commissioner of education for grants to districts under the desegregation capital improvement grant act according to Minnesota Statutes, sections 129B.71 to 129B.73.

Sec. 13: HUMAN SERVICES

Subdivision 1. To the commissioner of administration for the purposes specified in this section

15,299,000

Subd. 2: Anoka Metropolitan Regional Treatment Center

(a) Design a 300-bed regional treatment center 1,839,000

(b) Plan and design metropolitan area facilities 666,000

The commissioner shall include in the plans for recapitalization of Anoka-Metro Regional Treatment Center, plans to develop a separate children's and adolescents mental health treatment program.

(c) Design 80-bed skilled nursing facility, to be located in the metropolitan area 246,000

Subd. 3. Ah-Gwah-Ching State Nursing Home

Replace boilers and make related steam system renovations 683,000

Subd. 4. Systemwide

(a) Upgrade heating, ventilating, and air conditioning equipment in residential and program buildings 6,908,000

Prior to spending funds to upgrade or install heating ventilating and air conditioning equipment in residential and program buildings, the commissioner shall obtain the approval of the governor, after consultation with the legislative advisory commission.

(b) Begin to design, construct, and equip 31 state-operated community service units 4,137,000

(c) Plan and design remodeling of residential buildings to meet standards for skilled nursing facilities 358,000

(d) Plan for renovation or new construction in units serving persons who are mentally ill at the Fergus Falls Regional Treatment Center and the

Moose Lake Regional Treatment Center	462,000
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Subd. 5. Funding for capital projects related to the regional treatment center negotiations are authorized contingent on enactment of legislation implementing the negotiated proposal to reconfigure the regional treatment center system. Prior to the encumbrance of funds for each project, the commissioner of finance shall seek the recommendations and advice of the chairs of the house appropriations committee and the senate finance committee.

#### Sec. 14. CORRECTIONS

Subdivision 1. To the commissioner of administration for the purposes specified in this section	2,881,000
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Subd. 2. Minnesota Correctional Facility—St. Cloud

Replace and reinsulate steam, condensate, sewer, and water lines in utility tunnels	1,265,000
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Subd. 3. Minnesota Correctional Facility—Red Wing

Install and upgrade appropriate fire and safety equipment on boilers #1 and #2	327,000
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Subd. 4. Minnesota Correctional Facility—Stillwater

Complete various projects required to comply with OSHA regulations	393,000
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Subd. 5. Minnesota Correctional Facility—Shakopee

Demolish old Shakopee correctional facility	256,000
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## Subd. 6. Systemwide

Repair roofs at various correctional facilities 640,000

## Sec. 15. HEALTH

Subdivision 1. To the commissioner of administration for the purposes specified in this section 520,000

## Subd. 2. Health Department Building—Minneapolis

(a) Conduct evaluation of Public Health Laboratories ventilation system and make structural changes necessary for adequate ventilation. 260,000

(b) Conduct long-range space utilization study of Public Health Laboratories focusing on safety and changing laboratory technologies. 260,000

## Sec. 16. VETERANS HOMES BOARD

Subdivision 1. To the commissioner of administration for the purposes specified in this section 427,000

## Subd. 2. Minnesota Veterans Home—Hastings

Convert eight-bed dormitory rooms to four-bed rooms 262,000

## Subd. 3. Minnesota Veterans Home—Minneapolis

Demolish Building 5 165,000

## Sec. 17. JOBS AND TRAINING

Subdivision 1. To the commissioner of administration for the purpose specified in this section 100,000

Subd. 2. Conduct study of alternative sites in Minneapolis for job service offices

100,000

Sec. 18. MINNESOTA HISTORICAL SOCIETY

165,000

This appropriation is from the state building fund to the Historical Society for a grant to the Red Lake Band of Chippewa Indians for design, development, and preparation of construction documents for the Red Lake Tribal Information Center.

Sec. 19. BOND SALE EXPENSES

To the commissioner of finance for bond sale expenses under Minnesota Statutes, section 16A.641, subdivision 8

120,000

Sec. 20. DEBT SERVICE

The commissioner of finance shall schedule the sale of state general obligation bonds so that during fiscal year 1990 no more than \$199,586,900 and during fiscal year 1991 no more than \$172,226,900 will need to be transferred from the general fund to the state bond fund to pay principal and interest due and to become due on outstanding state general obligation bonds. Before each sale of state general obligation bonds, the commissioner of finance shall calculate the amount of debt service payments needed on bonds previously issued and shall estimate the amount of debt service payments that will be needed on the bonds scheduled to be sold. The commissioner shall adjust the amount of bonds scheduled to be sold so as to remain within the limit set by this section. The amount needed to make the debt service payments is appropriated from the general fund as provided in Minnesota Statutes, section 16A.641. If the appropriation for either year is insufficient, the

appropriation for the other year is available for it.

Sec. 21. Minnesota Statutes 1988, section 116.18, subdivision 3d, is amended to read:

Subd. 3d. [ADJUSTMENTS TO MATCHING GRANTS AND STATE INDEPENDENT GRANTS.] A municipality with a population of 25,000 or less that was tendered a state matching grant under subdivision 2a, or a state independent grant under subdivision 3a, or a federal grant under the federal Water Pollution Control Act, United States Code, title 33, sections 1281 to 1299, from October 1, 1984, through September 30, 1987, shall, after the municipality has awarded bids for construction of the treatment works, and upon request, receive a grant increase of five 2.5 percent of the total eligible costs of construction, up to the maximum entitlement for grants awarded on or after October 1, 1987, under subdivisions 2a and 3a. The municipality must inform other entities that are providing funding for construction of the treatment works of the grant increase, and repay any funds to which it is not entitled. A municipality must not receive funding for more than 100 percent of the total costs of the treatment works. Documentation of money received from other sources must be submitted with the request for the grant increase. Money remaining after all grants have been awarded under this subdivision may be used for the award of grants under subdivisions 2a and 3a. An adjustment grant awarded after July 1, 1989, that is a continuation of a previously awarded adjustment grant must be awarded through a letter from the agency to the municipality stating the grant amount. A formal grant agreement is not required.

Sec. 22. Laws 1979, chapter 280, section 1, is amended to read:

Section 1. [STATE TRANSPORTATION BONDS; ISSUANCE AND SALE.] The commissioner of finance shall, upon the request of the commissioner of transportation, issue and sell Minnesota state transportation bonds for the purposes provided in Minnesota Statutes, Section 174.51, Subdivision 1, in the aggregate principal amount of \$52,000,000 \$56,000,000 in the manner and upon the conditions prescribed in Minnesota Statutes, Section 174.51 and in Article XI of the Minnesota Constitution. The proceeds of the bonds, except as provided in Minnesota Statutes, Section 174.51, Subdivision 5, shall be deposited in the Minnesota state transportation fund for expenditure in accordance with section 2, subdivisions 2 and 3, and Minnesota Statutes, Section 174.50.

Sec. 23. Laws 1979, chapter 280, section 2, as amended by Laws 1982, chapter 617, section 25, Laws 1985, chapter 299, section 39, and Laws 1985, First Special Session, chapter 16, article 2, section 16, is amended to read:

Sec. 2. [APPROPRIATION.] Subdivision 1. \$52,000,000 \$56,000,000, or so much thereof as is determined to be needed, is appropriated from the Minnesota state transportation fund to the department of transportation to be expended for disbursement in the form of grants by the commissioner of transportation for construction and reconstruction of key bridges on the state transportation system and shall be allocated pursuant to subdivisions 2 and 3. The appropriation shall not lapse, but shall remain available until expended.

Subd. 2. ~~\$50,500,000~~ \$54,500,000 or so much thereof as is needed, is available for expenditure at a rate not exceeding \$12,500,000 per fiscal year for grants to political subdivisions for construction and reconstruction of key bridges on highways, streets and roads under their jurisdiction. The grants shall not exceed the following aggregate amounts:

(1) To counties . . . . ~~\$11,500,000~~ \$13,860,000

(2) To home rule charter and statutory cities . . . . ~~\$1,500,000~~ \$2,060,000

(3) To towns . . . . ~~\$21,000,000~~ \$22,080,000

Grants under clauses (1) to (3) may be used by political subdivisions to match federal-aid grants for construction and reconstruction of key bridges under their jurisdictions. Additional grants may be made in an aggregate amount not to exceed \$16,500,000 to the political subdivisions to match federal-aid grants for construction and reconstruction of key bridges under their jurisdiction. Appropriations made in subdivisions 1, 2, or 3 may also be used for the following purposes:

(1) The costs of abandoning an existing bridge that is deficient and is in need of replacement, but where no replacement will be made.

(2) The costs of constructing a road or street that would facilitate the abandonment of an existing bridge determined to be deficient. The construction of the road or street must be judged to be more cost efficient than the reconstruction or replacement of the existing bridge.

Subd. 3. An additional amount not to exceed \$1,500,000 is available for grants for preliminary engineering and environmental studies pursuant to section 3.

## Sec. 24. [BOND SALE.]

Subdivision 1. [BUILDING FUND.] To provide the money appropriated in this article from the state building fund the commissioner

of finance on request of the governor shall sell and issue bonds of the state in an amount up to \$111,661,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Subd. 2. [REINVEST IN MINNESOTA FUND.] To provide the money appropriated in this act from the reinvest in Minnesota resources fund the commissioner of finance on request of the governor shall sell and issue bonds of the state in an amount up to \$2,000,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Sec. 25. [CONSULTATION REQUIRED.]

Land must not be purchased and a building must not be purchased, constructed, or erected on land of the University of Minnesota until the regents have first consulted with the chair of the senate finance committee and the chair of the house appropriations committee and obtained their advisory recommendations.

Sec. 26. [REVIEW OF PLANS.]

An agency to whom an appropriation is made in this act must not prepare final plans and specifications for any construction or major remodeling authorized by this act until the agency that will use the project has presented the program plan and cost estimates for all elements necessary to complete the project to the chair of the senate finance committee and the chair of the house appropriations committee and the chairs have made their recommendations. The recommendations are advisory only. Failure or refusal to make a recommendation is considered a negative recommendation. The presentation must note any significant changes in the work that will be done, or in its cost, since the appropriation for the project was enacted.

Sec. 27. [APPROPRIATIONS FOR CONSTRUCTION; TRANSFER.]

Upon the awarding of final contracts for the completion of a project for construction or other permanent improvement authorized by this act, or upon the abandonment of the project, the agency to whom the appropriation is made in this act may transfer the unencumbered balance in the project account to another project enumerated in the same section. The transfer must be made only to cover bids for the other project that were higher than was estimated when the appropriation for the other project was made and not to cover an expansion of the other project. The money transferred under this section is appropriated for the purposes for which transferred. For transfers by the state board of vocational technical

education, the total cost of both projects and the required local share for both projects are adjusted accordingly. The commissioners and boards shall report to the chair of the senate finance committee and the chair of the house appropriations committee before a transfer is made under this section.

**Sec. 28. [APPROPRIATIONS FOR CONSTRUCTION; FEDERAL MONEY; EXCEEDING AUTHORIZED COST.]**

An agency that receives an appropriation in this act shall apply for the maximum federal share for each capital improvement project for which money is appropriated by this act. Encumbrance or expenditure of money in excess of the project authorization may be made only after the agency has consulted with the chair of the senate finance committee and the chair of the house appropriations committee and the chairs have made their recommendations. The recommendations are advisory only. Failure or refusal to make a recommendation is considered a negative recommendation.

**Sec. 29. [METHODS OF ACQUISITION.]**

If money has been appropriated to the commissioner of administration to acquire lands or sites for public buildings or real estate, the acquisition may be by gift, purchase, or condemnation proceedings. Condemnation proceedings must be under Minnesota Statutes, chapter 117.

**Sec. 30. [BOND SALE REDUCTIONS.]**

The bond sale authorization in Laws 1981, chapter 334, section 12, is reduced by \$37,800,000. The bond sale authorization in Laws 1983, chapter 323, section 6, is reduced by \$7,000,000.

**Sec. 31. [EFFECTIVE DATE.]**

This article is effective the day after its final enactment.

**ARTICLE 4**

**ELEMENTARY AND SECONDARY EDUCATION**

Section 1. Minnesota Statutes 1988, section 124.477, is amended to read:

124.477 [BOND ISSUE; MAXIMUM EFFORT SCHOOL LOANS; 1988.]

To provide money to be loaned to school districts as agencies and political subdivisions of the state to acquire and to better public land and buildings and other public improvements of a capital nature, in the manner provided by the maximum effort school aid law, the commissioner of finance shall issue and sell school loan bonds of the state of Minnesota in the maximum amount of \$20,000,000 \$13,000,000, in addition to the bonds already authorized for this purpose. The same amount is appropriated to the maximum effort school loan fund and must be spent under the direction of the commissioner of education to make debt service loans and capital loans to school districts as provided in sections 124.36 to 124.47. The bonds must be issued and sold and provision for their payment must be made according to section 124.46. Enough money to pay interest on the bonds to and including July 1 in the second year after the date of issue must be credited from the bond proceeds to the school loan bond account in the state bond fund. Expenses incidental to the sale, printing, execution, and delivery of the bonds, including, but without limitation, actual and necessary travel and subsistence expenses of state officers and employees for those purposes, must be paid from the maximum effort school loan fund, and the money necessary for the expenses is appropriated from that fund.

Sec. 2. Minnesota Statutes 1988, section 124.493, subdivision 1, is amended to read:

Subdivision 1. [APPROVAL BY COMMISSIONER.] To the extent money is available, the commissioner of education may approve ~~not more than two pilot~~ projects from applications submitted under section 124.494. The grant money must be used only to acquire, construct, remodel or improve the building or site of a cooperative secondary facility under contracts to be entered into within 15 months after the date on which each grant is awarded.

Sec. 3. Minnesota Statutes 1988, section 124.494, subdivision 1, is amended to read:

Subdivision 1. [QUALIFICATION.] Any group of school districts that meets the criteria required under subdivision 2 may apply for an incentive grant in an amount ~~up to 75~~ not to exceed the lesser of \$6,000,000 or 60 percent of the approved construction costs of a cooperative secondary education facility.

Sec. 4. Minnesota Statutes 1988, section 124.494, subdivision 2, is amended to read:

Subd. 2. [REVIEW BY COMMISSIONER.] (a) Any group of districts that submits an application for a grant shall submit a proposal to the commissioner for review and comment under section 121.15, and the commissioner shall prepare a review and comment on the proposed facility, regardless of the amount of the capital expenditure required to acquire, construct, remodel or improve the

secondary facility. The commissioner must not approve an application for an incentive grant for any secondary facility unless the facility receives a favorable review and comment under section 121.15 and the following criteria are met:

(1) a minimum of three or more districts, with kindergarten to grade 12 enrollments in each district of no more than ~~1,000~~ 2,500 pupils, enter into a joint powers agreement;

(2) a joint powers board representing all participating districts is established under section 471.59 to govern the cooperative secondary facility;

(3) the planned secondary facility will result in the joint powers district meeting the requirements of Minnesota Rules, parts 3500.2010 and 3500.2110;

(4) at least 240 pupils would be served in grades 10 to 12, 320 pupils would be served in grades 9 to 12, or 480 pupils would be served in grades 7 to 12;

(5) no more than one superintendent is employed by the joint powers board as a result of the cooperative secondary facility agreement;

(6) a statement of need is submitted, that may include reasons why the current secondary facilities are inadequate, unsafe or inaccessible to the handicapped;

(7) an educational plan is prepared, that includes input from both community and professional staff;

(8) a combined seniority list for all participating districts is developed by the joint powers board;

(9) a plan is developed to allow all teachers in each participating district, upon unanimous approval of the teachers' executive bargaining representatives, to form one bargaining unit;

(10) an education program is developed that provides for more learning opportunities and course offerings including the offering of advanced placement courses for students than is currently available in any single member district; and

~~(10)~~ (11) a plan is developed for providing instruction of any resident students in other districts when distance to the secondary education facility makes attendance at the facility unreasonably difficult or impractical.

(b) To the extent possible, the joint powers board is encouraged to provide for severance pay or for early retirement incentives under section 125.611, for any teacher or administrator, as defined under section 125.12, subdivision 1, who is placed on unrequested leave as a result of the cooperative secondary facility agreement.

Sec. 5. Minnesota Statutes 1988, section 124.494, subdivision 4, is amended to read:

Subd. 4. [AWARD OF GRANTS.] The commissioner shall examine and consider all applications for grants, and if any joint powers district is found not qualified, the commissioner shall promptly notify that joint powers board. On July 1 of 1988 1989, the commissioner shall make awards to ~~no more than two~~ qualified applicants whose applications have been on file with the commissioner more than one month. If additional funds are available, the commissioner may make additional grants on July 1 of each subsequent year. A grant award is subject to verification by the joint powers districts as specified in subdivision 6. A grant award must not be made until the site of the secondary facility has been determined. If the total amount of the approved applications exceeds the amount that is or can be made available, the commissioner shall allot the available amount equally between the approved applicant districts. The commissioner shall promptly certify to each qualified joint powers district the amount, if any, of the grant awarded to it.

Sec. 6. Minnesota Statutes 1988, section 124.495, is amended to read:

124.495 [STATE BOND AUTHORIZATION.]

To provide money for the cooperative secondary facilities grant program, the commissioner of finance, upon the request of the commissioner of education, shall issue and sell bonds of the state up to the amount of ~~\$16,000,000~~ \$23,000,000 in the manner, upon the terms and with the effect prescribed by sections 16A.631 to 16A.675 and the Minnesota Constitution, article XI, sections 4 to 7.

Sec. 7. Minnesota Statutes 1988, section 129B.72, subdivision 2, is amended to read:

Subd. 2. [APPLICATION FORMS; RULES.] The commissioner of education shall prepare application forms and establish application dates. ~~The state board of education shall adopt rules under chapter 14 to govern the application process set out in section 129B.72.~~

Sec. 8. Minnesota Statutes 1988, section 129B.72, is amended by adding a subdivision to read:

Subd. 3. [CRITERIA.] A district applying for a grant under this

section must have an approved desegregation plan. The district must describe how the improvement will result in the district meeting or exceeding the requirements and goals of its approved desegregation plan.

Sec. 9. Minnesota Statutes 1988, section 129B.73, subdivision 4, is amended to read:

Subd. 4. [MATCHING REVENUE.] Upon being awarded a grant under subdivision 3, the board shall determine the need to bond for additional revenue. If the board determines that there is no need to bond, it shall certify to the commissioner of education that other funds are available for the purpose. If a bond issue is required, the board shall submit, within 90 days, the question of authorizing the borrowing of funds for remodeling or improvements to the voters of the district at a special election, that may be held in conjunction with the annual election of the school board members. If a majority of those voting on the question do not vote in the affirmative, and the district does not have other funds available, the grant must be canceled.

Sec. 10. Minnesota Statutes 1988, section 129B.73, is amended by adding a subdivision to read:

Subd. 5. [PROJECT BUDGET.] A district that receives a grant must provide the project budget and any other information the commissioner requests, to the commissioner.

Sec. 11. [129B.76] [ISSUANCE AND SALE OF BONDS.]

To provide money for grants under the desegregation capital improvement grant act, the commissioner of finance, upon the request of the commissioner of education, shall issue and sell bonds of the state up to the amount of \$3,000,000 in the manner, upon the terms, and with the effect prescribed by sections 16A.631 to 16A.675 and the Minnesota Constitution, article XI, sections 4 to 7.

Sec. 12. [CAPITAL LOAN; FOLEY SCHOOL DISTRICT.]

A capital loan in an amount not to exceed \$4,853,000 to independent school district No. 51, Foley, is approved.

Sec. 13. [REPEALER.]

Laws 1987, chapter 400, section 59, as amended by Laws 1988, chapter 718, article 8, section 22, is repealed. The sections repealed by Laws 1987, chapter 400, section 59, as amended by Laws 1988, chapter 718, article 8, section 22, remain effective.

Sec. 14. [EFFECTIVE DATE.]

This article is effective the day after its final enactment."

Delete the title and insert:

"A bill for an act relating to public administration; authorizing spending to acquire and to better public land and buildings and other public improvements of a capital nature with certain conditions; providing for deficiencies in and supplementing appropriations for the expenses of state government; authorizing issuance of state bonds; providing for the maximum effort school loan program and the cooperative secondary facilities grant program; clarifying the definition of mental health service provider and providing for a fee for the providers; clarifying requirements of manufactured home parks in certain cases; reducing certain bond sales authorizations; distributing the proceeds of certain litigation; increasing authorizations for certain state transportation bonds; increasing the allocation for bridges to political subdivisions; providing for certain adjustment grants; approving a capital loan; appropriating money; amending Minnesota Statutes 1988, sections 116.18, subdivision 3d; 124.477; 124.493, subdivision 1; 124.494, subdivisions 1, 2, and 4; 124.495; 129B.72, subdivision 2, and by adding a subdivision; 129B.73, subdivision 4, and by adding a subdivision; 148B.40, subdivision 3; 148B.42, by adding a subdivision; 327.20, subdivision 1; and Laws 1979, chapter 280, sections 1 and 2, as amended; proposing coding for new law in Minnesota Statutes, chapter 129B; repealing Laws 1987, chapter 400, section 59, as amended; and Laws 1988, chapter 686, article 1, section 37, subdivision 10."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 59, A bill for an act relating to crime; controlled substances; creating controlled substance crimes in the first, second, third, fourth, fifth, sixth, and seventh degrees; increasing penalties for controlled substance offenses; providing mandatory minimum sentences for repeat controlled substance offenses; providing a mandatory minimum sentence for a controlled substance offense committed with a dangerous weapon; creating a presumption that occupants in automobile or room knowingly possess controlled substances found there; amending Minnesota Statutes 1988, sections 152.01, by adding subdivisions; 152.096, subdivision 1; 152.097, by adding a subdivision; 152.15, subdivision 4a; 152.151; 152.18, subdivision 1; 152.20; 152.21, subdivision 6; and 609.11, subdivision 9; proposing coding for new law in Minnesota Statutes, chapter 152; repealing Minnesota Statutes 1988, sections 152.09; and 152.15, subdivisions 1, 2, 2a, 2b, 3, and 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [116K.14][COMMUNITY CRIME REDUCTION PROGRAMS; GRANTS.]

Subdivision 1. [PROGRAMS.] The commissioner shall administer a grant program to fund community-based programs that are designed to enhance the community's sense of personal security and to assist the community in its crime control efforts. Examples of qualifying programs include, but are not limited to, the following:

(1) programs to provide security systems for residential buildings serving low-income persons, elderly persons, and persons who have physical or mental disabilities;

(2) community-based programs designed to discourage young people from involvement in unlawful drug or street gang activities;

(3) neighborhood block clubs and innovative community-based crime watch programs; and

(4) other community-based crime prevention programs that are innovative and encourage substantial involvement by members of the community served by the program.

Subd. 2. [GRANT PROCEDURE.] A local unit of government may apply for a grant by submitting an application with the commissioner. The applicant shall specify the following in its application:

(1) a description of each program for which funding is sought;

(2) the amount of funding to be provided to the program;

(3) the geographical area to be served by the program; and

(4) statistical information as to the number of arrests in the geographical area for violent crimes and for crimes involving schedule I and II controlled substances. “Violent crime” includes a violation of or an attempt or conspiracy to violate any of the following laws: sections 609.185; 609.19; 609.195; 609.20; 609.205; 609.21; 609.221; 609.222; 609.223; 609.228; 609.235; 609.24; 609.245; 609.25; 609.255; 609.2661; 609.2662; 609.2663; 609.2664; 609.2665; 609.267; 609.2671; 609.268; 609.342; 609.343; 609.344; 609.345; 609.498, subdivision 1; 609.561; 609.562; 609.582, subdivision 1; 609.687; and any provision of chapter 152 that is punishable by a maximum term of imprisonment greater than ten years.

The commissioner shall give priority to funding programs in the geographical areas that have the highest crime rates, as measured by the data supplied under clause (4), and that demonstrate substantial involvement by members of the community served by the program. The maximum amount that may be awarded to an applicant is \$ .....

Subd. 3. [REPORT.] An applicant that receives a grant under this section shall provide the commissioner with a summary of how the grant funds were spent and the extent to which the objectives of the program were achieved. The commissioner shall submit a written report with the legislature based on the information provided by applicants under this subdivision.

**Sec. 2. [121.883] [PROGRAM FOR PUBLIC EDUCATION REGARDING THE EFFECTS OF CONTROLLED SUBSTANCE AND ALCOHOL USE DURING PREGNANCY.]**

Subdivision 1. [PUBLIC EDUCATION REGARDING THE EFFECTS OF CONTROLLED SUBSTANCE AND ALCOHOL USE DURING PREGNANCY.] The commissioner of education, in consultation with the commissioner of health, shall assist school districts in developing and implementing programs to prevent and reduce the risk of harm to unborn children exposed to controlled substance and alcohol use by their mother during pregnancy. Each district program must, at a minimum:

(1) use planning materials, guidelines, and other technically accurate and updated information;

(2) maintain a comprehensive, technically accurate, and updated curriculum;

(3) be directed at adolescents, especially those who may be at high risk of pregnancy coupled with controlled substance or alcohol use;

(4) provide in-service training for appropriate district staff; and

(5) collaborate with appropriate state and local agencies and organizations.

Subd. 2. [FUNDING SOURCES.] Districts may accept funds for the program from public and private sources.

Sec. 3. Minnesota Statutes 1988, section 152.01, subdivision 7, is amended to read:

Subd. 7. [MANUFACTURING MANUFACTURE.] "Manufacturing Manufacture", in places other than a pharmacy, means and includes the production, cultivation, quality control, and standard-

ization by mechanical, physical, chemical, or pharmaceutical means, packing, repacking, tableting, encapsulating, labeling, relabeling, filling, or by other process, of drugs.

Sec. 4. Minnesota Statutes 1988, section 152.01, is amended by adding a subdivision to read:

Subd. 19. [SELL.] "Sell" means to sell, give away, barter, deliver, exchange, distribute or dispose of to another; or to offer or agree to do the same; or to manufacture.

Sec. 5. Minnesota Statutes 1988, section 152.01, is amended by adding a subdivision to read:

Subd. 20. [MIXTURE.] "Mixture" means a preparation, compound, mixture, or substance containing a controlled substance, regardless of purity.

Sec. 6. Minnesota Statutes 1988, section 152.01, is amended by adding a subdivision to read:

Subd. 21. [PERSON.] "Person" means a person, firm, or corporation.

Sec. 7. Minnesota Statutes 1988, section 152.01, is amended by adding a subdivision to read:

Subd. 22. [PREVIOUS CONTROLLED SUBSTANCE CONVICTION.] "Previous controlled substance conviction" means a conviction in Minnesota of a felony violation of this chapter or a felony-level attempt or conspiracy to violate this chapter, or a conviction elsewhere for conduct that would have been a felony under this chapter if committed in Minnesota. The term includes any conviction that occurred before the present offense of conviction. The term does not include a conviction if ten years have elapsed since the person was restored to civil rights, or the sentence has expired, whichever occurs first.

Sec. 8. Minnesota Statutes 1988, section 152.01, is amended by adding a subdivision to read:

Subd. 23. [HALLUCINOGEN.] For purposes of sections 9 to 12, "hallucinogen" means any hallucinogen listed in section 152.02, subdivision 2, clause (3), or Minnesota Rules, part 6800.4210, item C, except marijuana or tetrahydrocannabinols.

Sec. 9. [152.021] [CONTROLLED SUBSTANCE CRIME IN THE FIRST DEGREE.]

Subdivision 1. [SALE CRIMES.] A person is guilty of controlled substance crime in the first degree if:

(1) on one or more occasions within a 90-day period the person unlawfully sells one or more mixtures containing ten grams or more of cocaine base;

(2) on one or more occasions within a 90-day period the person unlawfully sells one or more mixtures of a total weight of 50 grams or more containing a narcotic drug;

(3) on one or more occasions within a 90-day period the person unlawfully sells one or more mixtures of a total weight of 50 grams or more containing methamphetamine, amphetamine, phencyclidine, or hallucinogen or, if the controlled substance is packaged in dosage units, equaling 200 or more dosage units; or

(4) on one or more occasions within a 90-day period the person unlawfully sells one or more mixtures of a total weight of 100 kilograms or more containing marijuana or tetrahydrocannabinols.

Subd. 2. [POSSESSION CRIMES.] A person is guilty of a controlled substance crime in the first degree if:

(1) the person unlawfully possesses one or more mixtures containing 25 grams or more of cocaine base;

(2) the person unlawfully possesses one or more mixtures of a total weight of 500 grams or more containing a narcotic drug;

(3) the person unlawfully possesses one or more mixtures of a total weight of 500 grams or more containing methamphetamine, amphetamine, phencyclidine, or hallucinogen or, if the controlled substance is packaged in dosage units, equaling 500 or more dosage units; or

(4) the person unlawfully possesses one or more mixtures of a total weight of 100 kilograms or more containing marijuana or tetrahydrocannabinols.

Subd. 3. [PENALTY.] (a) A person convicted under subdivision 1 or 2 may be sentenced to imprisonment for not more than 30 years or to payment of a fine of not more than \$1,000,000, or both.

(b) A person convicted under subdivision 1 or 2 who has a previous controlled substance conviction shall be sentenced to imprisonment for not less than four years nor more than 40 years or to a fine of not more than \$1,000,000, or both.

Sec. 10. [152.022] [CONTROLLED SUBSTANCE CRIME IN THE SECOND DEGREE.]

Subdivision 1. [SALE CRIMES.] A person is guilty of controlled substance crime in the second degree if:

(1) on one or more occasions within a 90-day period the person unlawfully sells one or more mixtures containing three grams or more of cocaine base;

(2) on one or more occasions within a 90-day period the person unlawfully sells one or more mixtures of a total weight of ten grams or more containing a narcotic drug;

(3) on one or more occasions within a 90-day period the person unlawfully sells one or more mixtures of a total weight of ten grams or more containing methamphetamine, amphetamine, phencyclidine, or hallucinogen or, if the controlled substance is packaged in dosage units, equaling 50 or more dosage units;

(4) on one or more occasions within a 90-day period the person unlawfully sells one or more mixtures of a total weight of 50 kilograms or more containing marijuana or tetrahydrocannabinols;

(5) the person unlawfully sells one or more mixtures containing a narcotic drug to a person under the age of 18; or

(6) the person conspires with or employs a person under the age of 18 to unlawfully sell one or more mixtures containing a narcotic drug.

Subd. 2. [POSSESSION CRIMES.] A person is guilty of controlled substance crime in the second degree if:

(1) the person unlawfully possesses one or more mixtures containing six grams or more of cocaine base;

(2) the person unlawfully possesses one or more mixtures of a total weight of 50 grams or more containing a narcotic drug;

(3) the person unlawfully possesses one or more mixtures of a total weight of 50 grams or more containing methamphetamine, amphetamine, phencyclidine, or hallucinogen or, if the controlled substance is packaged in dosage units, equaling 100 or more dosage units; or

(4) the person unlawfully possesses one or more mixtures of a total weight of 50 kilograms or more containing marijuana or tetrahydrocannabinols.

Subd. 3. [PENALTY.] (a) A person convicted under subdivision 1 or 2 may be sentenced to imprisonment for not more than 25 years or to payment of a fine of not more than \$500,000, or both.

(b) A person convicted under subdivision 1 or 2 who has a previous controlled substance conviction shall be sentenced to imprisonment for not less than three years nor more than 40 years or to a fine of not more than \$500,000, or both.

Sec. 11. [152.023] [CONTROLLED SUBSTANCE CRIME IN THE THIRD DEGREE.]

Subdivision 1. [SALE CRIMES.] A person is guilty of controlled substance crime in the third degree if:

(1) the person unlawfully sells one or more mixtures containing a narcotic drug;

(2) the person unlawfully sells one or more mixtures containing phencyclidine or hallucinogen, it is packaged in dosage units, and equals ten or more dosage units;

(3) the person unlawfully sells one or more mixtures containing a controlled substance classified in schedule I, II, or III, except marijuana or tetrahydrocannabinols, to a person under the age of 18; or

(4) the person conspires with or employs a person under the age of 18 to unlawfully sell one or more mixtures containing a controlled substance listed in schedule I, II, or III, except marijuana or tetrahydrocannabinols.

Subd. 2. [POSSESSION CRIMES.] A person is guilty of controlled substance crime in the third degree if:

(1) the person unlawfully possesses one or more mixtures containing three grams or more of cocaine base;

(2) the person unlawfully possesses one or more mixtures of a total weight of ten grams or more containing a narcotic drug;

(3) the person unlawfully possesses one or more mixtures containing a narcotic drug, phencyclidine, or hallucinogen with the intent to sell it; or

(4) the person unlawfully possesses one or more mixtures containing a narcotic drug, it is packaged in dosage units, and equals 50 or more dosage units.

Subd. 3. [PENALTY.] (a) A person convicted under subdivision 1 or 2 may be sentenced to imprisonment for not more than 20 years or to a payment of a fine of not more than \$250,000, or both.

(b) A person convicted under subdivision 1 or 2 who has a previous controlled substance conviction shall be sentenced to imprisonment for not less than two years nor more than 30 years or to a fine of not more than \$250,000, or both.

Sec. 12. [152.024] [CONTROLLED SUBSTANCE CRIME IN THE FOURTH DEGREE.]

Subdivision 1. [SALE CRIMES.] A person is guilty of controlled substance crime in the fourth degree if:

(1) the person unlawfully sells one or more mixtures containing a controlled substance classified in schedule I, II, or III, except marijuana or tetrahydrocannabinols;

(2) the person unlawfully sells one or more mixtures containing marijuana or tetrahydrocannabinols to a person under the age of 18;

(3) the person conspires with or employs a person under the age of 18 to unlawfully sell one or more mixtures containing marijuana or tetrahydrocannabinols;

(4) the person unlawfully sells one or more mixtures containing a controlled substance classified in schedule IV or V to a person under the age of 18; or

(5) the person conspires with or employs a person under the age of 18 to unlawfully sell a controlled substance classified in schedule IV or V.

Subd. 2. [POSSESSION CRIMES.] A person is guilty of controlled substance crime in the fourth degree if:

(1) the person unlawfully possesses one or more mixtures containing phencyclidine or hallucinogen, it is packaged in dosage units, and equals ten or more dosage units; or

(2) the person unlawfully possesses one or more mixtures containing a controlled substance classified in schedule I, II, or III, except marijuana or tetrahydrocannabinols, with the intent to sell it.

Subd. 3. [PENALTY.] (a) A person convicted under subdivision 1 or 2 may be sentenced to imprisonment for not more than 15 years or to payment of a fine of not more than \$100,000, or both.

(b) A person convicted under subdivision 1 or 2 who has a previous controlled substance conviction shall be sentenced to imprisonment for not less than one year nor more than 30 years or to a fine of not more than \$100,000, or both.

Sec. 13. [152.025] [CONTROLLED SUBSTANCE CRIME IN THE FIFTH DEGREE.]

Subdivision 1. [SALE CRIMES.] A person is guilty of controlled substance crime in the fifth degree if:

(1) the person unlawfully sells one or more mixtures containing marijuana or tetrahydrocannabinols, except a small amount of marijuana for no remuneration; or

(2) the person unlawfully sells one or more mixtures containing a controlled substance classified in schedule IV.

Subd. 2. [POSSESSION AND OTHER CRIMES.] A person is guilty of controlled substance crime in the fifth degree if:

(1) the person unlawfully possesses one or more mixtures containing a controlled substance classified in schedule I, II, III, or IV, except a small amount of marijuana; or

(2) the person procures, attempts to procure, possesses, or has control over a controlled substance by any of the following means:

(i) fraud, deceit, misrepresentation, or subterfuge;

(ii) using a false name or giving false credit; or

(iii) falsely assuming the title of, or falsely representing any person to be, a manufacturer, wholesaler, pharmacist, physician, doctor of osteopathy licensed to practice medicine, dentist, podiatrist, veterinarian, or other authorized person for the purpose of obtaining a controlled substance.

Subd. 3. [PENALTY.] (a) A person convicted under subdivision 1 or 2 may be sentenced to imprisonment for not more than five years or to payment of a fine of not more than \$10,000, or both.

(b) A person convicted under subdivision 1 or 2 who has a previous controlled substance conviction shall be sentenced to imprisonment for not less than six months nor more than ten years or to payment of a fine of not more than \$20,000, or both.

Sec. 14. [152.026] [MANDATORY MINIMUM SENTENCES.]

A defendant convicted and sentenced to a mandatory minimum sentence under sections 9 to 13 is not eligible for probation, parole, discharge, or supervised release until that person has served the full mandatory minimum term of imprisonment as provided by law, notwithstanding sections 242.19, 243.05, 244.04, 609.12, and 609.135.

Sec. 15. [152.027] [OTHER CONTROLLED SUBSTANCE OFFENSES.]

Subdivision 1. [SALE OF SCHEDULE V CONTROLLED SUBSTANCE.] A person who unlawfully sells one or more mixtures containing a controlled substance classified in schedule V may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both.

Subd. 2. [POSSESSION OF SCHEDULE V CONTROLLED SUBSTANCE.] A person who unlawfully possesses one or more mixtures containing a controlled substance classified in schedule V may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both. The court may order that a person who is convicted under this subdivision and placed on probation be required to take part in a drug education program as specified by the court.

Subd. 3. [POSSESSION OF LARGER AMOUNTS OF MARIJUANA IN A MOTOR VEHICLE.] A person is guilty of a misdemeanor if the person is the owner of a private motor vehicle, or is the driver of the motor vehicle if the owner is not present, and possesses on the person, or knowingly keeps or allows to be kept within the area of the vehicle normally occupied by the driver or passengers, more than 1.4 grams of marijuana. This area of the vehicle does not include the trunk of the motor vehicle if the vehicle is equipped with a trunk, or another area of the vehicle not normally occupied by the driver or passengers if the vehicle is not equipped with a trunk. A utility or glove compartment is deemed to be within the area occupied by the driver and passengers.

Subd. 4. [POSSESSION OR SALE OF SMALL AMOUNTS OF MARIJUANA.] (a) A person who unlawfully sells a small amount of marijuana for no remuneration, or who unlawfully possesses a small amount of marijuana is guilty of a petty misdemeanor punishable by a fine of up to \$200 and participation in a drug education program unless the court enters a written finding that a drug education program is inappropriate. The program must be approved by an area mental health board with a curriculum approved by the state alcohol and drug abuse authority.

(b) A person convicted of an unlawful sale under paragraph (a) who is subsequently convicted of an unlawful sale under paragraph (a) within two years is guilty of a misdemeanor and shall be

required to participate in a chemical dependency evaluation and treatment if so indicated by the evaluation.

(c) A person who is convicted of a petty misdemeanor under paragraph (a) who willfully and intentionally fails to comply with the sentence imposed, is guilty of a misdemeanor. Compliance with the terms of the sentence imposed before conviction under this paragraph is an absolute defense.

Sec. 16. [152.028] [PERMISSIVE INFERENCE OF KNOWING POSSESSION; RESIDENCES.] The presence of a controlled substance in open view in a room, other than a public place, under circumstances evincing an intent by one or more of the persons present to unlawfully mix, compound, package, or otherwise prepare for sale the controlled substance permits the factfinder to infer knowing possession of the controlled substance by each person in close proximity to the controlled substance when the controlled substance was found. The permissive inference does not apply to any person if:

- (1) one of them legally possesses the controlled substance; or
- (2) the controlled substance is on the person of one of the occupants.

Sec. 17. Minnesota Statutes 1988, section 152.096, subdivision 1, is amended to read:

Subdivision 1. [PROHIBITED ACTS; PENALTIES.] Any person who conspires to commit any act prohibited by section 152.09 this chapter, except possession or distribution for no remuneration of a small amount of marijuana as defined in section 152.01, subdivision 16, is guilty of a felony and upon conviction may be imprisoned, fined, or both, up to the maximum amount authorized by law for the act the person conspired to commit.

Sec. 18. Minnesota Statutes 1988, section 152.097, is amended by adding a subdivision to read:

Subd. 4. [PENALTY.] A person who violates this section may be sentenced to imprisonment for not more than three years or to payment of a fine of not more than \$20,000, or both. Sentencing for a conviction for attempting to sell, transfer, or deliver a noncontrolled substance in violation of this section is governed by section 609.17, subdivision 4.

Sec. 19. Minnesota Statutes 1988, section 152.15, subdivision 4a, is amended to read:

Subd. 4a. Any A person 18 years of age or over who violates

~~section 152.09, subdivision 1, clause (2), this chapter by possessing on school premises a controlled substance listed on Schedules I or II which is a narcotic drug is punishable by a fine of up to twice that authorized by subdivision 2, clause (1) this chapter, by a term of imprisonment of up to twice that authorized by subdivision 2, clause (1) this chapter, or both. Any person 18 years of age or over who violates section 152.09, subdivision 1, clause (2), this chapter by possessing on school premises any other controlled substance listed on schedule I, II, III, IV or V, except a small amount of marijuana, is punishable by a fine of up to twice that authorized by subdivision 2, clause (2), (3), or (4) this chapter, by a term of imprisonment up to twice that authorized by subdivision 2, clause (2), (3), or (4) this chapter, or both.~~

For the purposes of this subdivision, "school premises" means any property owned, leased or controlled by a school district or an organization operating a nonpublic school, as defined in section 123.932, subdivision 3, where an elementary, middle, secondary school, secondary vocational center or other school providing educational services in grade I through grade 12 is located, or used for educational purposes, or where extracurricular or cocurricular activities are regularly provided.

Sec. 20. Minnesota Statutes 1988, section 152.151, is amended to read:

#### 152.151 [REPORT TO LEGISLATURE.]

The state alcohol and drug authority shall ~~build into~~ evaluate the drug education program required by section 152.15, subdivision 2, ~~proper evaluation 15~~ and report directly each legislative session to the legislative standing committees having jurisdiction over the subject matter.

Sec. 21. Minnesota Statutes 1988, section 152.18, subdivision 1, is amended to read:

Subdivision 1. If any person is found guilty of a violation of ~~section 152.09, subdivision 1, clause (2) this chapter punishable by a maximum term of imprisonment of 15 years or less, after trial or upon a plea of guilty, the court may, without entering a judgment of guilty and with the consent of such person, defer further proceedings and place the person on probation upon such reasonable conditions as it may require and for a period, not to exceed the maximum term of imprisonment provided for such violation. The court may give the person the opportunity to attend and participate in an appropriate program of education regarding the nature and effects of alcohol and drug abuse as a stipulation of probation. Upon violation of a condition of the probation, the court may enter an adjudication of guilt and proceed as otherwise provided. The court may, in its discretion, dismiss the proceedings against such person and dis-~~

charge the person from probation before the expiration of the maximum period prescribed for such person's probation. If during the period of probation such person does not violate any of the conditions of the probation, then upon expiration of such period the court shall discharge such person and dismiss the proceedings against that person. Discharge and dismissal hereunder shall be without court adjudication of guilt, but a nonpublic record thereof shall be retained by the department of public safety solely for the purpose of use by the courts in determining the merits of subsequent proceedings against such person. The court shall forward a record of any discharge and dismissal hereunder to the department of public safety who shall make and maintain the nonpublic record thereof as hereinbefore provided. Such discharge or dismissal shall not be deemed a conviction for purposes of disqualifications or disabilities imposed by law upon conviction of a crime or for any other purpose.

Sec. 22. Minnesota Statutes 1988, section 152.20, is amended to read:

152.20 [PENALTIES UNDER OTHER LAWS.]

Any penalty imposed for violation of ~~Laws 1971, chapter 937~~ this chapter is in addition to, and not in lieu of, any civil or administrative penalty or sanction otherwise authorized by law.

Sec. 23. Minnesota Statutes 1988, section 152.21, subdivision 6, is amended to read:

Subd. 6. [EXEMPTION FROM CRIMINAL SANCTIONS.] For the purposes of this section, the following are not violations listed in ~~section 152.09 or 152.15~~ under this chapter:

(1) use or possession of THC, or both, by a patient in the research program;

(2) possession, prescribing use of, administering, or dispensing THC, or any combination of these actions, by the principal investigator or by any clinical investigator; and

(3) possession or distribution of THC, or both, by a pharmacy registered to handle schedule I substances which stores THC on behalf of the principal investigator or a clinical investigator.

THC obtained and distributed pursuant to this section is not subject to forfeiture under sections 609.531 to 609.5316.

For the purposes of this section, THC is removed from schedule I contained in section 152.02, subdivision 2, and inserted in schedule II contained in section 152.02, subdivision 3.

Sec. 24. Minnesota Statutes 1988, section 244.09, subdivision 5, is amended to read:

Subd. 5. The commission shall, on or before January 1, 1980, promulgate sentencing guidelines for the district court. The guidelines shall be based on reasonable offense and offender characteristics. The guidelines promulgated by the commission shall be advisory to the district court and shall establish:

(1) The circumstances under which imprisonment of an offender is proper; and

(2) A presumptive, fixed sentence for offenders for whom imprisonment is proper, based on each appropriate combination of reasonable offense and offender characteristics. The guidelines may provide for an increase or decrease of up to 15 percent in the presumptive, fixed sentence.

The sentencing guidelines promulgated by the commission may also establish appropriate sanctions for offenders for whom imprisonment is not proper. Any guidelines promulgated by the commission establishing sanctions for offenders for whom imprisonment is not proper shall make specific reference to noninstitutional sanctions, including but not limited to the following: payment of fines, day fines, restitution, community work orders, work release programs in local facilities, community based residential and nonresidential programs, incarceration in a local correctional facility, and probation and the conditions thereof.

In establishing and modifying the sentencing guidelines, the commission shall take into substantial consideration public safety, current sentencing and release practices, and correctional resources, including but not limited to the capacities of local and state correctional facilities.

The provisions of sections 14.01 to 14.69 do not apply to the promulgation of the sentencing guidelines, and the sentencing guidelines, including severity levels and criminal history scores, are not subject to review by the legislative commission to review administrative rules. However, on or before January 1, 1986, the commission shall adopt rules pursuant to sections 14.01 to 14.69 which establish procedures for the promulgation of the sentencing guidelines, including procedures for the promulgation of severity levels and criminal history scores, and these rules shall be subject to review by the legislative commission to review administrative rules.

Sec. 25. Minnesota Statutes 1988, section 609.11, subdivision 9, is amended to read:

Subd. 9. [APPLICABLE OFFENSES.] The crimes for which man-

datory minimum sentences shall be served before eligibility for probation, parole, or supervised release as provided in this section are: murder in the first, second, or third degree; assault in the first, second, or third degree; burglary; kidnapping; false imprisonment; manslaughter in the first or second degree; aggravated robbery; simple robbery; criminal sexual conduct under the circumstances described in sections 609.342, subdivision 1, clauses (a) to (f); 609.343, subdivision 1, clauses (a) to (f); and 609.344, subdivision 1, clauses (a) to (e) and (h) to (j); escape from custody; arson in the first, second, or third degree; a felony violation of chapter 152; or any attempt to commit any of these offenses.

Sec. 26. Minnesota Statutes 1988, section 609.5311, subdivision 3, is amended to read:

Subd. 3. [LIMITATIONS ON FORFEITURE OF CERTAIN PROPERTY ASSOCIATED WITH CONTROLLED SUBSTANCES.] (a) A conveyance device is subject to forfeiture under this section only if the retail value of the controlled substance is \$500 or more the conveyance device is associated with a felony-level controlled substance crime.

(b) Real property is subject to forfeiture under this section only if the retail value of the controlled substance is ~~\$5,000~~ \$1,000 or more.

(c) Property used by any person as a common carrier in the transaction of business as a common carrier is subject to forfeiture under this section only if the owner of the property is a consenting party to, or is privy to, the use or intended use of the property as described in subdivision 2.

(d) Property is subject to forfeiture under this section only if its owner was privy to the use or intended use described in subdivision 2, or the unlawful use or intended use of the property otherwise occurred with the owner's knowledge or consent.

(e) Forfeiture under this section of a conveyance device or real property encumbered by a bona fide security interest is subject to the interest of the secured party unless the secured party had knowledge of or consented to the act or omission upon which the forfeiture is based. A person claiming a security interest bears the burden of establishing that interest by clear and convincing evidence.

(f) Notwithstanding paragraphs (d) and (e), property is not subject to forfeiture based solely on the owner's or secured party's knowledge of the unlawful use or intended use of the property if the owner or secured party took reasonable steps to terminate use of the property by the offender.

Sec. 27. Minnesota Statutes 1988, section 609.5314, subdivision 1, is amended to read:

Subdivision 1. [PROPERTY SUBJECT TO ADMINISTRATIVE FORFEITURE; PRESUMPTION.] (a) The following are presumed to be subject to administrative forfeiture under this section:

(1) all money, precious metals, and precious stones found in proximity to:

(i) controlled substances;

(ii) forfeitable drug manufacturing or distributing equipment or devices; or

(iii) forfeitable records of manufacture or distribution of controlled substances; and

(2) all conveyance devices containing an amount of controlled substances with a retail value of \$500 or more substance the possession or sale of which would be a felony under chapter 152.

(b) A claimant of the property bears the burden to rebut this presumption.

Sec. 28. Minnesota Statutes 1988, section 609.5315, subdivision 1, is amended to read:

Subdivision 1. [DISPOSITION.] If the court finds under section 609.5313 or 609.5314 that the property is subject to forfeiture, it may shall order the appropriate agency to:

(1) sell property that is not required to be destroyed by law and is not harmful to the public and distribute the proceeds under subdivision 5;

(2) take custody of the property and remove it for disposition in accordance with law;

(3) forward the property to the federal drug enforcement administration;

(4) disburse money as provided under subdivision 5; or

(5) keep property other than money for official use by the agency and the prosecuting agency.

Sec. 29. Minnesota Statutes 1988, section 626.556, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] As used in this section, the following terms have the meanings given them unless the specific content indicates otherwise:

(a) "Sexual abuse" means the subjection by a person responsible for the child's care, or by a person in a position of authority as defined in section 609.341, subdivision 10, to any act which constitutes a violation of section 609.342, 609.343, 609.344, or 609.345. Sexual abuse also includes any act which involves a minor which constitutes a violation of sections 609.321 to 609.324 or 617.246.

(b) "Person responsible for the child's care" means (1) an individual functioning within the family unit and having responsibilities for the care of the child such as a parent, guardian, or other person having similar care responsibilities; or (2) an individual functioning outside the family unit and having responsibilities for the care of the child such as a teacher, school administrator, or other lawful custodian of a child having either full-time or short-term care responsibilities including, but not limited to, day care, babysitting whether paid or unpaid, counseling, teaching, and coaching.

(c) "Neglect" means failure by a person responsible for a child's care to supply a child with necessary food, clothing, shelter or medical care when reasonably able to do so or failure to protect a child from conditions or actions which imminently and seriously endanger the child's physical or mental health when reasonably able to do so. Nothing in this section shall be construed to (1) mean that a child is neglected solely because the child's parent, guardian, or other person responsible for the child's care in good faith selects and depends upon spiritual means or prayer for treatment or care of disease or remedial care of the child, or (2) impose upon persons, not otherwise legally responsible for providing a child with necessary food, clothing, shelter, or medical care, a duty to provide that care. "Neglect" includes prenatal exposure to a controlled substance used by the mother for a nonmedical purpose, as evidenced by withdrawal symptoms in the child at birth, results of a toxicology test performed on the child at birth, or medical effects or developmental delays during the child's first month of life that medically indicate prenatal exposure to a controlled substance. Neglect also means "medical neglect" as defined in section 260.015, subdivision 10 2a, clause (e) (5).

(d) "Physical abuse" means any physical injury inflicted by a person responsible for the child's care on a child other than by accidental means, or any physical injury that cannot reasonably be explained by the child's history of injuries, or any aversive and deprivation procedures that have not been authorized under section 245.825.

(e) "Report" means any report received by the local welfare agency, police department, or county sheriff pursuant to this section.

(f) "Facility" means a day care facility, residential facility, agency, hospital, sanitarium, or other facility or institution required to be licensed pursuant to sections 144.50 to 144.58, 241.021, or 245.781 to 245.812.

(g) "Operator" means an operator or agency as defined in section 245A.02.

(h) "Commissioner" means the commissioner of human services.

(i) "Assessment" includes authority to interview the child, the person or persons responsible for the child's care, the alleged perpetrator, and any other person with knowledge of the abuse or neglect for the purpose of gathering the facts, assessing the risk to the child, and formulating a plan.

(j) "Practice of social services," for the purposes of subdivision 3, includes but is not limited to employee assistance counseling and the provision of guardian ad litem services.

### Sec. 30. [626.5561] [TOXICOLOGY TESTS REQUIRED.]

Subdivision 1. [NEWBORNS.] A physician shall administer to each newborn infant born under the physician's care a toxicology test to determine whether there is evidence of prenatal exposure to a controlled substance, if the physician has reason to believe based on a medical assessment of the mother or the infant that the mother used a controlled substance for a nonmedical purpose prior to the birth. If the test results are positive, the physician shall report the results as neglect under section 626.556. A negative test result does not eliminate the obligation to report under section 626.556 if other medical evidence of prenatal exposure to a controlled substance is present.

Subd. 2. [DURING PRENATAL VISITS.] During the time between 24 weeks after conception and delivery of the infant, a physician shall administer a toxicology test to a pregnant woman under the physician's care to determine whether there is evidence that she has ingested a controlled substance, if the woman has obstetrical complications that are a medical indication of possible use of a controlled substance for a nonmedical purpose.

Subd. 3. [REPORT TO DEPARTMENT OF HEALTH.] Physicians shall report to the department of health the results of tests performed under this section. A report shall be made on February 1 and August 1 of each year, beginning February 1, 1990. The reports are medical data under section 13.42.

Subd. 4. [IMMUNITY FROM LIABILITY.] Any physician or other medical personnel administering a toxicology test to determine the

presence of a controlled substance in a pregnant woman or in a child at birth or during the first month of life is immune from civil or criminal liability, if the physician ordering the test believes in good faith that the test is required under this section and the test is administered in accordance with an established protocol and reasonable medical practice.

Sec. 31. [REPEALER.]

Minnesota Statutes 1988, sections 152.09; and 152.15, subdivisions 1, 2, 2a, 2b, 3, and 5, are repealed.

Sec. 32. [APPROPRIATION.]

\$. . . . . is appropriated from the general fund to the commissioner of state planning to be used for the purposes specified in section 1. The appropriation is available until June 30, 1991.

Sec. 33. [EFFECTIVE DATE.]

Sections 3 to 23, 25 to 28, and 31 are effective August 1, 1989, and apply to crimes and violations occurring on or after that date. Sections 2, 24, 29, and 30 are effective August 1, 1989."

Delete the title and insert:

"A bill for an act relating to crime; controlled substances; creating controlled substance crimes in the first, second, third, fourth, and fifth degrees; increasing penalties for controlled substance offenses; providing mandatory minimum sentences for repeat controlled substance offenses; providing a mandatory minimum sentence for a controlled substance offense committed with a dangerous weapon; creating a permissible inference that occupants in a room knowingly possess controlled substances found there; providing that public safety be considered by the sentencing guidelines commission in modifying the sentencing guidelines; modifying provisions concerning the forfeiture of conveyance devices or real property associated with controlled substances; requiring reporting of newborns with signs of controlled substance exposure; limiting liability of medical personnel administering toxicology tests on newborns; requiring an education program to prevent harm to unborn children from prenatal exposure to controlled substances and alcohol; establishing a grant program for community crime prevention and reduction programs; appropriating money; amending Minnesota Statutes 1988, sections 152.01, subdivision 7, and by adding subdivisions; 152.096, subdivision 1; 152.097, by adding a subdivision; 152.15, subdivision 4a; 152.151; 152.18, subdivision 1; 152.20; 152.21, subdivision 6; 244.09, subdivision 5; 609.11, subdivision 9; 609.5311, subdivision 3; 609.5314, subdivision 1; 609.5315, subdivision 1; and 626.556, subdivision 2; proposing coding for new law in Minnesota

Statutes, chapters 116K; 121; 152; and 626; repealing Minnesota Statutes 1988, sections 152.09; and 152.15, subdivisions 1, 2, 2a, 2b, 3, and 5."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 66, A bill for an act relating to gambling; establishing a state-operated lottery; establishing a department of gaming to supervise a state-operated lottery, pari-mutuel horse racing, and charitable gambling; transferring the duties of the charitable gambling control board and the Minnesota racing commission to this department; appropriating money; amending Minnesota Statutes 1988, sections 10A.01, subdivision 18; 10A.09, subdivision 1; 15A.081, subdivision 1; 240.01, subdivisions 4, 9, and 10; 240.04; 240.28; 290.01, subdivision 19b; 290.61; 290.92, subdivision 27; 297A.25, by adding a subdivision; 349.12, subdivision 16; 541.20; 541.21; 609.75, subdivision 3; and 609.761; proposing coding for new law in Minnesota Statutes, chapters 240 and 349; proposing coding for new law as Minnesota Statutes, chapters 240B and 349A; repealing Minnesota Statutes 1988, sections 240.02; 240.04, subdivisions 1, 1a, and 6; and 349.151.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

#### "ARTICLE 1

#### DIVISION OF PARI-MUTUEL HORSE RACING

Section 1. Minnesota Statutes 1988, section 240.01, is amended by adding a subdivision to read:

Subd. 13. [COMMISSIONER.] "Commissioner" is the commissioner of gaming.

Sec. 2. Minnesota Statutes 1988, section 240.01, is amended by adding a subdivision to read:

Subd. 14. [DIRECTOR.] "Director" is the director of pari-mutuel racing.

Sec. 3. Minnesota Statutes 1988, section 240.01, is amended by adding a subdivision to read:

Subd. 15. [DIVISION.] "Division" is the division of pari-mutuel racing in the department of gaming.

Sec. 4. [240.011] [DIVISION OF PARI-MUTUEL RACING.]

Subdivision 1. [DIVISION CREATED.] A division of pari-mutuel racing is created in the department of gaming. The division is under the supervision and control of the Minnesota racing commission and the director of pari-mutuel racing, who have the powers and duties prescribed in this chapter.

Subd. 2. [DIRECTOR OF PARI-MUTUEL RACING.] The commissioner shall appoint the director of pari-mutuel racing, who serves in the unclassified service at the commissioner's pleasure. The director must be a person qualified by experience in the administration and regulation of pari-mutuel racing to discharge the duties of the director.

Subd. 3. [AUDIT.] The legislative auditor shall audit or the director may contract for an audit of the books and accounts of the division annually or as often as the legislative auditor's funds and personnel permit. The director shall pay the total cost of the audit. All collections received for the audits must be deposited in the general fund.

Sec. 5. Minnesota Statutes 1988, section 240.02; subdivision 1, is amended to read:

Subdivision 1. [COMMISSION CREATED.] A Minnesota racing commission is established within the division of pari-mutuel racing with the powers and duties specified in Laws 1983, chapter 214 this section. Until the effective date of the first vacancy on the commission that occurs after the effective date of this act, including a vacancy caused by the expiration of a term, the commission consists of nine members appointed by the governor with the advice and consent of the senate. Not more than five of the members may belong to the same political party. The governor shall designate the chair of the commission. The commission shall select a chair, who shall not be the commissioner, from among its members. Of the members first appointed, three are for terms expiring June 30, 1985, three are for terms expiring June 30, 1987, and three are for terms expiring June 30, 1989. After the expiration of the initial term, appointments are for terms of six years. An appointment to fill a vacancy in an unexpired term is for the remainder of the term and is with the advice and consent of the senate.

Sec. 6. Minnesota Statutes 1988, section 240.02, subdivision 2, is amended to read:

Subd. 2. [QUALIFICATIONS.] A member of the commission must have been a resident of Minnesota for at least five years before appointment, and must have a background and experience as would qualify for membership on the commission. A member must, before taking a place on the commission, file a bond in the principal sum of \$100,000 payable to the state, conditioned upon the faithful performance of duties. No commissioner, nor any member of the commissioner's immediate family, may hold a license issued by the commission or have a direct or indirect financial interest in a corporation, partnership, or association which holds a license issued by the commission. This subdivision does not apply to the commissioner of gaming.

Sec. 7. Minnesota Statutes 1988, section 240.04, subdivision 1, is amended to read:

Subdivision 1. [EXECUTIVE DIRECTOR; DUTIES.] ~~The commission shall appoint an executive director, who is its chief administrative officer and who serves at its pleasure in the unclassified service. The executive director shall perform the following duties:~~

(a) take and preserve records of all proceedings before the commission, maintain its books, documents, and records, and make them available for public inspection as the commission directs;

(b) if so designated by the commission, act as a hearing officer in hearings which need not be conducted under the administrative procedure act to conduct hearings, receive testimony and exhibits, and certify the record of proceedings to the commission;

(c) act as the commission's chief personnel officer and supervise the employment, conduct, duties, and discipline of commission employees; and

(d) perform other duties as directed by the commission.

Sec. 8. Minnesota Statutes 1988, section 240.04, subdivision 3, is amended to read:

Subd. 3. [DIRECTOR OF RACING SECURITY.] The commission may appoint a director of racing security to serve in the unclassified service at the commission's pleasure. The director of racing security shall enforce all laws and commission rules relating to the security and integrity of racing. The director of racing security and all other persons designated by the commission as security officers have free and open access to all areas of all facilities the commission licenses and may search without a search warrant any part of a licensed

racetrack and the person of any licensee of the commission on the premises. The director of racing security may order a licensee to take, at the licensee's expense, security measures necessary to protect the integrity of racing, but the order may be appealed to the commission. Nothing in this chapter prohibits law enforcement authorities and agents from entering, in the performance of their duties, a premises licensed under Laws 1983, chapter 214.

If no director of racing security is appointed the duties of that office are assigned to the executive director. The commission may contract with outside services or personnel to assist the executive director in the performance of these duties.

If director of racing security may request the assistance of any division of the department in the performance of these duties.

Sec. 9. Minnesota Statutes 1988, section 240.04, subdivision 7, is amended to read:

Subd. 7. [ASSISTANCE.] The commission and director may request assistance from any department or agency of the state, including a division of the department, in fulfilling its duties, and shall make appropriate reimbursement for all such assistance.

Sec. 10. Minnesota Statutes 1988, section 240.06, subdivision 3, is amended to read:

Subd. 3. [INVESTIGATION.] Before granting a class A license the commission shall conduct, or request the division of inspection and enforcement or the bureau of criminal apprehension to conduct, a comprehensive background and financial investigation of the applicant and sources of financing. The commission may charge an applicant an investigation fee to cover the cost of the investigation, and shall from this fee reimburse the bureau or the division of inspection and enforcement for its share of the cost of the investigation. The commission has access to all criminal history data compiled by the bureau of criminal apprehension or the division of inspection and enforcement on class A licensees and applicants.

Sec. 11. Minnesota Statutes 1988, section 240.06, subdivision 8, is amended to read:

Subd. 8. [WORK AREAS.] A class A licensee must provide at no cost to the ~~commission~~ department suitable work areas for commission members, officers, employees, and agents, including agents of the division of inspection and enforcement, who are directed or requested by the commission to supervise and control racing at the licensed racetrack.

Sec. 12. Minnesota Statutes 1988, section 240.07, subdivision 2, is amended to read:

Subd. 2. [HEARINGS; INVESTIGATIONS.] Before granting an initial class B license the commission shall hold at least one public hearing on the license. Comprehensive investigations must be conducted and their costs paid in the manner prescribed by section 240.06, subdivision 3. The commission has access to all criminal history data compiled by the bureau of criminal apprehension or the division of inspection and enforcement on class B licensees and applicants.

Sec. 13. Minnesota Statutes 1988, section 240.08, subdivision 3, is amended to read:

Subd. 3. [INVESTIGATIONS.] The commission shall investigate each applicant for a class C license to the extent it deems necessary, and may request the assistance of and may reimburse the bureau of criminal apprehension or the division of inspection and enforcement in investigating applicants. The commission may by rule require that an applicant be fingerprinted or furnish the applicant's fingerprints. Investigations must be conducted and their costs paid in the manner prescribed by section 240.06, subdivision 3. The commission may cooperate with national and international organizations and agencies in conducting investigations. The commission may by rule provide for examining the qualifications of an applicant for the license being applied for. The commission has access to all criminal history data compiled by the bureau of criminal apprehension or the division of inspection and enforcement on class C applicants and licensees.

Sec. 14. Minnesota Statutes 1988, section 240.21, is amended to read:

#### 240.21 [RIGHT OF INSPECTION.]

The commission and its representatives, including representatives of the division of inspection and enforcement if requested by the commission to assist in the enforcement of laws and rules, have the right to inspect the licensed premises of a licensee and to examine the licensee's books and other records at any time without a search warrant.

Sec. 15. Minnesota Statutes 1988, section 240.28, is amended to read:

#### 240.28 [CONFLICT OF INTEREST.]

Subdivision 1. [FINANCIAL INTEREST.] No person may serve on the commission or be employed by ~~the~~ the division who has an interest

in any corporation, association, or partnership which holds a license from the commission or which holds a contract to supply goods or services to a licensee or at a licensed racetrack, including concessions contracts. No member of the commission or employee of the commission division may own, wholly or in part, or have an interest in a horse which races at a licensed racetrack in Minnesota. No member of the commission or employee of the commission division may have a financial interest in or be employed in a profession or business which conflicts with the performance of duties as a member or employee.

Subd. 2. [BETTING.] No member of the commission or employee of the commission division may bet or cause a bet to be made on a race at a licensed racetrack while serving on the commission or being employed by the commission division. No person appointed or approved by the commission director as a steward may bet or cause a bet to be made at a licensed racetrack during a racing meeting at which the person is serving as a steward. The commission shall by rule prescribe such restrictions on betting by its licensees as it deems necessary to protect the integrity of racing.

Subd. 3. [VIOLATION.] A violation of subdivisions 1 and 2 is grounds for removal from the commission or termination of employment. A bet made directly or indirectly by a licensee in violation of a rule made by the commission under subdivision 2 is grounds for suspension or revocation of the license.

Sec. 16. [REPEALER.]

Minnesota Statutes 1988, section 240.02, subdivision 7, is repealed.

Sec. 17. [EFFECTIVE DATE.]

Sections 1 to 16 are effective July 1, 1989.

## ARTICLE 2

### DIVISION OF CHARITABLE GAMBLING CONTROL

Section 1. Minnesota Statutes 1988, section 349.12, subdivision 11, is amended to read:

Subd. 11. "Lawful purpose" means one or more of the following: (a) benefiting persons by enhancing their opportunity for religious or educational advancement, by relieving or protecting them from disease, suffering or distress, by contributing to their physical well-being, by assisting them in establishing themselves in life as worthy and useful citizens, or by increasing their comprehension of

and devotion to the principles upon which this nation was founded; (b) initiating, performing, or fostering worthy public works or enabling or furthering the erection or maintenance of public structures; (c) lessening the burdens borne by government or voluntarily supporting, augmenting or supplementing services which government would normally render to the people; (d) any expenditure by, or any contribution to, a hospital or nursing home exempt from taxation under section 501(c)(3) of the Internal Revenue Code; or (4) (e) payment of taxes imposed under this chapter, and other taxes imposed by the state or the United States on receipts from lawful gambling.

“Lawful purpose” does not include the erection, acquisition, improvement, expansion, repair, or maintenance of any real property owned or leased by the an organization, other than a hospital or nursing home exempt from taxation under section 501(c)(3) of the Internal Revenue Code, unless the board specifically authorizes the expenditures after finding that the property will be used exclusively for one or more of the purposes specified in clauses (a) to (c). The board may by rule adopt procedures and standards to administer this subdivision.

Sec. 2. Minnesota Statutes 1988, section 349.12, subdivision 17, is amended to read:

Subd. 17. “Distributor” is a person who sells gambling equipment ~~the distributor manufactures or purchases for resale within the state to~~ licensed organizations, organizations conducting exempt activity under section 349.214, or to other distributors.

Sec. 3. Minnesota Statutes 1988, section 349.12, subdivision 20, is amended to read:

Subd. 20. [IDEAL NET.] “Ideal net” means the pull-tab or tip-board deal’s ideal gross, as defined under subdivision 19, less the total predetermined prize amounts available to be paid out. When the prize is not entirely a monetary one, the ideal net is 50 percent of the ideal gross.

Sec. 4. Minnesota Statutes 1988, section 349.12, is amended by adding a subdivision to read:

Subd. 21. [DIVISION.] “Division” is the division of charitable gambling control in the department of gaming.

Sec. 5. Minnesota Statutes 1988, section 349.12, is amended by adding a subdivision to read:

Subd. 22. [DIRECTOR.] “Director” is the director of the division of charitable gambling control.

Sec. 6. Minnesota Statutes 1988, section 349.12, is amended by adding a subdivision to read:

Subd. 23. [COMMISSIONER.] Except as otherwise provided, "commissioner" is the commissioner of revenue.

Sec. 7. Minnesota Statutes 1988, section 349.12, is amended by adding a subdivision to read:

Subd. 24. [NET PROFIT.] "Net profit" means gross profit less reasonable sums actually expended for allowable expenses.

Sec. 8. Minnesota Statutes 1988, section 349.12, is amended by adding a subdivision to read:

Subd. 25. [MANUFACTURER.] "Manufacturer" means a person or entity who assembles from raw materials or subparts a completed piece of gambling equipment, and who sells or furnishes the equipment for resale or for use in the state, and who is not a distributor licensed under this chapter. The term includes a person who converts, modifies, adds to, or removes parts or a portion from an item, device, or assembly to further its promotion, sale, or use as gambling equipment in this state. A person only adding or modifying promotional flares to advise the public of the prizes available, the rules of play, and the consideration required is not a manufacturer.

Sec. 9. Minnesota Statutes 1988, section 349.12, is amended by adding a subdivision to read:

Subd. 26. [PROMOTIONAL TICKET.] "Promotional ticket" is a pull-tab or tipboard ticket with the words "no purchase necessary" and "for promotional use only" and for which no consideration is given.

Sec. 10. Minnesota Statutes 1988, section 349.151, subdivision 1, is amended to read:

Subdivision 1. [BOARD CREATED.] The charitable gambling control board is created within the division of charitable gambling control, with the powers and duties established by subdivision 4.

Sec. 11. Minnesota Statutes 1988, section 349.151, subdivision 2, is amended to read:

Subd. 2. [MEMBERSHIP.] The board consists of ~~13~~ four members appointed as follows:

(1) eleven persons appointed by the governor with the advice and

consent of the senate, at least four of whom must reside outside of the seven-county metropolitan area;

(2) the commissioner of public safety or a designee; and

(3) the attorney general or a designee.

A member serving on the board by appointment must have been a resident of Minnesota for at least five years. Of the appointees of the governor not more than six may belong to the same political party. A member appointed to the board may be removed at any time by the appointing authority. Vacancies on the board are filled in the same manner as the original appointment. Of the members appointed by the governor, three are for terms expiring June 30, 1985, four are for terms expiring June 30, 1986, and four are for terms expiring June 30, 1987. After the expiration of the initial terms, appointments are for three years. The governor shall appoint the chair from among the governor's appointees. by the governor with the advise and consent of the senate, plus the commissioner of gaming as a voting member. Not more than three of the five members of the board may belong to the same political party. The board shall select one of its members, other than the commissioner, to serve as chair. The terms of all members serving on the board on June 30, 1989, expire on that date. Of the members appointed by the governor to serve terms beginning July 1, 1989, one is for a term expiring June 30, 1992, and two are for terms expiring June 30, 1995. Thereafter all appointments by the governor are for six-year terms.

Sec. 12. Minnesota Statutes 1988, section 349.151, subdivision 4, is amended to read:

Subd. 4. [POWERS AND DUTIES.] The board has the following powers and duties:

(1) to issue, revoke, and suspend licenses to organizations, distributors, and manufacturers under sections 349.16, 349.161, and 349.163;

(2) to collect and deposit license fees and taxes due under this chapter;

(3) to receive reports required by this chapter and inspect the records, books, and other documents of organizations and suppliers to insure compliance with all applicable laws and rules;

(4) (2) to make rules, including emergency rules, required by this chapter;

(5) to register gambling equipment and issue registration stamps under section 349.162;

(6) (3) to provide by rule for the mandatory posting by organizations conducting lawful gambling of rules of play and the odds and/or house percentage on each form of lawful gambling;

(7) (4) to report annually to the governor and legislature on its activities and on recommended changes in the laws governing charitable gambling; and

(8) (5) impose civil penalties of not more than \$500 per violation on organizations, distributors, and manufacturers for failure to comply with any provision of sections 349.12 to 349.23 or any rule of the board;

(6) to notify city councils, county boards, and town boards before issuing or renewing licenses to organizations as specified under section 349.213; and

(7) to revoke and suspend manufacturers' licenses.

Sec. 13. Minnesota Statutes 1988, section 349.151, subdivision 5, is amended to read:

Subd. 5. [EMPLOYEES.] The board shall employ an executive secretary in the unclassified service and such other employees in the classified service as are required to enable it to carry out its functions. One or more of the employees must be bingo inspectors.

Sec. 14. [349.151] [COMMISSIONER OF REVENUE.]

The commissioner of revenue has the following powers and duties under sections 349.11 to 349.23:

(1) to collect and deposit taxes as authorized under sections 349.11 to 349.23;

(2) to receive reports required to be submitted to the commissioner and inspect the records, books, and other documents of organizations and suppliers to ensure compliance with those provisions of sections 349.11 to 349.23 relating to taxes imposed by those sections; and

(3) to investigate noncompliance with, or violation of, the provisions of sections 349.11 to 349.23 relating to taxes imposed by those sections.

Sec. 15. [349.152] [DIVISION OF CHARITABLE GAMBLING.]

Subdivision 1. [DIVISION ESTABLISHED.] A division of charitable gambling control is created within the department of gaming. The division is under the supervision of the charitable gambling control board and the director of the division, who have the powers and duties prescribed in this section and section 349.151.

Subd. 2. [DIRECTOR OF CHARITABLE GAMBLING CONTROL.] The commissioner of gaming shall appoint a director of charitable gambling control, to serve at the commissioner's pleasure in the unclassified service. The director must be an attorney or accountant qualified to perform the duties of the director.

Subd. 3. [DUTIES OF THE DIRECTOR.] The director has the following duties:

(1) to carry out charitable gambling policy established by the board;

(2) to make recommendations to the board on license issuance, denial, suspension and revocation, and civil penalties the board imposes;

(3) to advise the board on rules the board adopts;

(4) to ensure that board rules, policy, and decisions are adequately, accurately, and continually conveyed to the board's licensees; and

(5) to take and preserve records of all proceedings before the board, maintain its books, documents, and records, and make them available for public inspection on written request, within a reasonable time, and as the board directs.

Sec. 16. Minnesota Statutes 1988, section 349.16, subdivision 4, is amended to read:

Subd. 4. [LOCAL INVESTIGATION FEE.] A statutory or home rule charter city or county notified under section 349.213, subdivision 2, may assess an investigation fee on organizations applying for or renewing a license to conduct lawful gambling. An investigation fee may not exceed the following limits:

(1) for cities of the first class, \$500;

(2) for cities of the second class, \$250; and

(3) for all other cities and counties, \$100; and

(4) for counties, \$250.

Sec. 17. Minnesota Statutes 1988, section 349.161, subdivision 4, is amended to read:

Subd. 4. [FEES.] The annual fee for a supplier's distributor's license is \$1,500.

Sec. 18. Minnesota Statutes 1988, section 349.162, subdivision 1, is amended to read:

Subdivision 1. [STAMP REQUIRED.] A distributor may not sell to ~~an organization and an organization may not purchase, transfer, furnish, or otherwise provide to a person, organization, or distributor, and no person, organization, or distributor, may purchase, borrow, accept, or acquire from a distributor~~ gambling equipment unless the equipment has been registered with the ~~board~~ division of inspection and enforcement and has a registration stamp affixed. ~~The board shall charge a fee of five cents for each stamp. Each stamp must bear a registration number assigned by the board. A distributor is entitled to a refund for unused stamps and replacement for stamps which are defective or canceled by the distributor.~~

Sec. 19. Minnesota Statutes 1988, section 349.162, subdivision 2, is amended to read:

Subd. 2. [RECORDS REQUIRED.] A distributor must maintain a record of all gambling equipment which it sells to organizations. The record must include:

- (1) the identity of the person or firm from whom the equipment was purchased;
- (2) the registration number of the equipment;
- (3) the name and address of the organization to which the sale was made; and
- (4) the date of the sale;
- (5) the name of the person who ordered the equipment; and
- (6) the name of the person who received the equipment.

The invoice for each sale must be retained for at least one year after the sale is completed and a copy of the invoice is delivered to the board director of inspection and enforcement. For purposes of this section, a sale is completed when the gambling equipment is physically delivered to the purchaser.

Each distributor must report monthly to the board director of inspection and enforcement, in a form the board director prescribes,

its sales of each type of gambling equipment. Employees of the board may inspect the books, records, and other documents of a distributor at any reasonable time without notice and without a search warrant.

Sec. 20. Minnesota Statutes 1988, section 349.162, subdivision 4, is amended to read:

Subd. 4. [PROHIBITION.] (a) No person other than a licensed organization or a licensed distributor may possess unaffixed registration stamps issued by the board director of inspection and enforcement.

(b) Unless otherwise provided in this chapter, no person may possess gambling equipment that has not been registered with the director of inspection and enforcement.

Sec. 21. Minnesota Statutes 1988, section 349.162, subdivision 5, is amended to read:

Subd. 5. [SALES FROM AND STORAGE FACILITIES.] All gambling equipment purchased or possessed by a licensed distributor for resale in Minnesota must, prior to its the equipment's resale, be unloaded into a sales or storage facility located in Minnesota which the distributor owns or leases, and which has been registered, in advance and in writing, with the director of inspection and enforcement as a sales or storage facility of the distributor. All unregistered gambling equipment and all unaffixed registration stamps owned by, or in the possession of, a licensed distributor in the state of Minnesota shall be stored at a sales or storage facility which has been registered with the director of inspection and enforcement. No gambling equipment may be moved from the facility without having been first registered with the director of inspection and enforcement.

All sales and storage facilities owned, leased, used, or operated by a licensed distributor may be entered upon and inspected by the board, the director of inspection and enforcement, or their authorized representatives during reasonable and regular business hours. Obstruction of, or failure to permit, such entry and inspection is cause for revocation or suspension of a distributor's licenses and permits issued under this chapter.

Unregistered gambling equipment and unaffixed registration stamps found at any location in Minnesota other than a registered sales or storage facility are contraband under section 349.2125.

Sec. 22. Minnesota Statutes 1988, section 349.163, is amended to read:

349.163 [REGISTRATION LICENSING OF MANUFACTURERS.]

Subdivision 1. [REGISTRATION.] No manufacturer of gambling equipment may sell any gambling equipment to any person unless the manufacturer has registered with been licensed as a manufacturer by the board and has been issued a certificate of registration under objective criteria prescribed by the board by rule.

Subd. 2. [CERTIFICATE; FEE.] A certificate license under this section is valid for one year. The annual fee for registration a license is \$500.

Subd. 3. [PROHIBITED SALES.] A manufacturer may not sell gambling equipment to any a person not licensed as a distributor unless the manufacturer is also a licensed distributor.

Subd. 4. [INSPECTION OF LICENSED MANUFACTURER.] The director of inspection and enforcement or the board may inspect the books, records, inventory, and manufacturing operations of a licensed manufacturer without notice during the normal business hours of the manufacturer.

Sec. 23. Minnesota Statutes 1988, section 349.18, subdivision 1, is amended to read:

Subdivision 1. [LEASE OR OWNERSHIP REQUIRED.] An organization may conduct lawful gambling only on premises it owns or leases. Leases must be for a period of at least one year and must be in writing. Copies of all leases must be made available to employees of the board division of charitable gambling control or division of inspection and enforcement on request. A lease may not provide for rental payments based on a percentage of determined directly or indirectly by the receipts or profits from lawful gambling. The board may prescribe by rule limits on the amount of rent which an organization may pay to a lessor for premises leased for lawful gambling.

No person, distributor, manufacturer, lessor, or organization other than the licensed organization leasing the space may conduct any activity in a leased space during times when lawful gambling is being conducted in the space.

Sec. 24. Minnesota Statutes 1988, section 349.19, subdivision 5, is amended to read:

Subd. 5. [REPORTS.] A licensed organization must report to the board, the division of inspection and enforcement and to its membership monthly, or quarterly in the case of a licensed organization which does not report more than \$1,000 in gross receipts from lawful

gambling in any calendar quarter, on its gross receipts, expenses, profits, and expenditure of profits from lawful gambling. If the organization conducts ~~both bingo and other forms~~ more than one form of lawful gambling, the figures for both must be reported separately. In addition, a licensed organization must report to the board and the division of inspection and enforcement monthly on its purchases of gambling equipment and must include the type, quantity, and dollar amount from each supplier separately. The reports must be on a form the board prescribes.

Sec. 25. Minnesota Statutes 1988, section 349.19, subdivision 6, is amended to read:

Subd. 6. [PRESERVATION OF RECORDS.] The board may require that records required to be kept by this section must be preserved by a licensed organization for at least ~~two~~ three and one-half years and may be inspected by employees of the board division at any reasonable time without notice or a search warrant. This subdivision does not limit the powers of the director of inspection and enforcement under chapter 349C.

Sec. 26. Minnesota Statutes 1988, section 349.212, is amended to read:

349.212 [TAX IMPOSED.]

Subdivision 1. [RATE.] (a) There is hereby imposed a tax on all lawful gambling, other than (1) pull-tabs purchased and placed into inventory after January 1, 1987, and (2) tipboards purchased and placed into inventory after June 30, 1988, conducted by organizations licensed by the board at the rate specified in this subdivision. The tax imposed by this subdivision is in lieu of the tax imposed by section 297A.02 and all local taxes and license fees except the tax authorized by subdivision 5 and a fee authorized under section 349.16, subdivision 4. The tax is payable as provided in subdivision 2.

On all lawful gambling, other than (1) pull-tabs purchased and placed into inventory after January 1, 1987, and (2) tipboards purchased and placed into inventory after June 30, 1988, the tax is ten percent of the gross receipts of a licensed organization from lawful gambling less prizes actually paid out, payable by the organization.

(b) There is imposed a tax on the sale of each deal of pull-tabs and tipboards sold by a licensed distributor to a licensed or exempt organization, or to an organization holding an exemption identification number. The rate of the tax is ten percent of the ideal net of the pull-tab and tipboard deal. The tax is payable as provided in section 349.2121, subdivision 4. The sales tax imposed by chapter 297A on the sale of the pull-tabs and tipboards by the licensed

distributor to an organization is imposed on the retail sales price less the tax imposed by this paragraph. The retail sale of pull-tabs or tipboards by the organization is exempt from taxes imposed by chapter 297A if the tax imposed by this paragraph has been paid and is exempt from all local taxes and license fees except taxes and fees authorized under subdivision 5 and section 349.16, subdivision 4. The liability for the tax is incurred when the pull-tabs and tipboards are delivered by the distributor to the licensed or exempt organization, to a common or contract carrier for delivery to the organization, or when received by the organization's authorized representative at the distributor's place of business, regardless of the distributor's method of accounting or the terms of sale. The exemptions in section 349.214, subdivision 2, paragraph (b), do not apply to the tax imposed in this paragraph.

The tax imposed by this paragraph is imposed on all sales of pull-tabs and tipboards, except the following are exempt:

(1) sales to the governing body of an Indian tribal organization for use on an Indian reservation;

(2) sales to distributors licensed under this chapter;

(3) sales to distributors licensed under the laws of another state or of a province of Canada, as long as all statutory and regulatory requirements are met in the other state or province; and

(4) sales of promotional tickets as defined in section 349.12.

Subd. 2. [COLLECTION; DISPOSITION.] The tax must be paid to the board at times and in a manner the board prescribes by rule. The proceeds, along with the revenue received from all license fees and other fees under sections 349.11 to 349.21 and 349.211, 349.212, and 349.213, must be paid to the state treasurer for deposit in the general fund. The tax imposed in subdivision 1, paragraph (a), is due and payable to the commissioner of revenue monthly on or before the 20th of the month after the reporting period in which the taxable event occurred. The tax must be reported on a form prescribed by the commissioner. The proceeds from the taxes must be deposited in the general fund.

Subd. 4. [PULL-TAB AND TIPBOARD TAX.] (a) There is imposed a tax on the sale of each deal of pull tabs and tipboards sold by a licensed distributor to a licensed organization, or to an organization holding an exemption identification number. The rate of the tax is ten percent of the ideal net of the pull-tab and tipboard deal. The tax is payable to the commissioner of revenue in the manner prescribed in section 349.2121 and the rules of the commissioner. The commissioner shall pay the proceeds of the tax to the state treasurer for deposit in the general fund. The sales tax imposed by chapter 297A on the sale of the pull tabs and tipboards by the

licensed distributor to an organization is imposed on the retail sales price less the tax imposed by this subdivision. The retail sale of pull-tabs or tipboards by the organization is exempt from taxes imposed by chapter 297A if the tax imposed by this subdivision has been paid and is exempt from all local taxes and license fees except a fee authorized under section 349.16, subdivision 4.

(b) The liability for the tax imposed by this section is incurred when the pull-tabs and tipboards are delivered by the distributor to the licensed or exempt organization, to a common or contract carrier for delivery to the organization, or when received by the organization's authorized representative at the distributor's place of business, regardless of the distributor's method of accounting or the terms of the sale.

(c) The exemptions contained in section 349.214, subdivision 2, paragraph (b), do not apply to the tax imposed in this subdivision.

Subd. 4a. [DUE DATE FOR FILING OF RETURNS.] The gambling tax returns required to be made under subdivisions 1 and 3 must be filed on or before the 20th of each month following the close of the preceding reporting period.

Subd. 5. [LOCAL GAMBLING TAX.] A statutory or home rule charter city which has one or more licensed organizations operating lawful gambling, and a county which has one or more licensed organizations outside incorporated areas operating lawful gambling, may impose a local gambling tax on each licensed organization within the city's or county's jurisdiction. The tax may be imposed only if the amount to be received by the city or county is necessary to cover the costs incurred by the city or county to regulate lawful gambling. The tax imposed by this subdivision may not exceed three percent of the gross receipts profits of a licensed organization from all lawful gambling less prizes actually paid out by the organization. A city or county may not use money collected under this subdivision for any purpose other than for the purpose of regulating lawful gambling. A tax imposed under this subdivision is in lieu of all other local taxes and local investigation fees on lawful gambling. Any city or county that imposes a tax under this subdivision shall annually by March 15 file a report with the board in a form prescribed by the board showing (1) the amount of revenue produced by the tax during the preceding calendar year, and (2) the use of the proceeds of the tax.

Sec. 27. Minnesota Statutes 1988, section 349.2121, subdivision 2, is amended to read:

Subd. 2. [RECORDS.] A distributor shall keep at each licensed place of business complete and accurate records for that place of business, including itemized invoices of pull-tabs and tipboards held, purchased, manufactured, or brought in or caused to be

brought in from without this state, and of all sales of pull-tabs and tipboards. The records must show the names and addresses of purchasers, the inventory at the close of each period for which a return is required of all pull-tab and tipboard deals on hand, and other pertinent papers and documents relating to the purchase, sale, or disposition of pull-tab and tipboard deals. Books, records, and other papers and documents required by this section must be kept for a period of at least 3½ years after the date of the documents, or the date of the entries appearing in the records, unless the commissioner authorizes in writing their destruction or disposal at an earlier date. At any time during usual business hours, the commissioner, ~~executive secretary of the charitable gambling control board, or any of their~~ the commissioner's duly authorized agents or employees, may enter a place of business of a distributor, ~~charitable organization, or any site from which pull-tabs or tipboards are gambling equipment is being sold, or any site where lawful gambling is being conducted,~~ and inspect the premises and the records required to be kept under this section to determine whether or not all the provisions of ~~this section~~ sections 349.212 to 349.214 are being fully complied with. If the commissioner, ~~executive secretary, or their~~ the commissioner's duly authorized agents or employees are denied free access to or are hindered or interfered with in making an inspection of the distributor's place of business, the permit of the distributor may be revoked by the commissioner, and the license of the distributor may be revoked by the charitable gambling control board.

Sec. 28. Minnesota Statutes 1988, section 349.2121, subdivision 3, is amended to read:

Subd. 3. [SUSPENSION, REVOCATION.] The commissioner, after giving notice and hearing, may for reasonable cause revoke or suspend a permit held by a distributor. A notice must be sent to the distributor at least 30 15 days before the hearing and give notice of the time and place of the hearing, proposed suspension or revocation is to take effect. The notice must give the reason for the proposed suspension or revocation, and must require the distributor to show cause why the proposed action should not be taken. The notice may be served personally or by mail in the manner prescribed for service of notice of a deficiency.

The notice must inform the distributor of the right to a contested case hearing. If a request in writing is made to the commissioner within 14 days of the date of the notice, the commissioner shall defer action on the suspension or revocation and shall refer the case to the office of administrative hearings for the scheduling of a contested case hearing. The distributor must be served with 20 days' notice in writing specifying the time and place of the hearing and the allegations against the distributor.

The commissioner shall issue a final order following receipt of the recommendation of the administrative law judge.

Under section 271.06, subdivision 1, an appeal to the tax court may be taken from the commissioner's order of revocation or suspension. The commissioner may not issue a new permit after revocation except upon application accompanied by reasonable evidence of the intention of the applicant to comply with all applicable laws and rules.

Sec. 29. Minnesota Statutes 1988, section 349.2121, subdivision 4, is amended to read:

Subd. 4. [COLLECTION.] The tax imposed by section 349.212, subdivision 4 1, paragraph (b), for each taxable sale is due and payable to the commissioner monthly on or before the 25th day of the month succeeding the month in which the taxable sale was made. The tax must be reported on a form prescribed by the commissioner.

Sec. 30. Minnesota Statutes 1988, section 349.2121, subdivision 4a, is amended to read:

Subd. 4a. [REFUND.] If any deal of pull-tabs or tipboards registered with the board division of inspection and enforcement and upon which the tax imposed by section 349.212, subdivision 4 1, paragraph (b), has been paid is returned unplayed to the distributor, the commissioner of revenue shall allow a refund of the tax paid.

In the case of a defective deal registered with the board and upon which the taxes have been paid is returned to the manufacturer, the distributor shall submit to the commissioner of revenue certification from the manufacturer that the deal was returned and in what respect it was defective. The certification must be in a form prescribed by the commissioner and must contain additional information the commissioner requires.

The commissioner may require that no refund under this subdivision be made unless the returned pull-tabs or tipboards have been set aside for inspection by the commissioner's employee.

Reductions in previously paid taxes authorized by this subdivision shall be made at the time and in the manner prescribed by the commissioner.

Sec. 31. Minnesota Statutes 1988, section 349.2121, subdivision 6, is amended to read:

Subd. 6. [COLLECTIONS; CIVIL PENALTIES.] (1) The provisions of chapter 297A relating to the commissioner's authority to audit, assess, and collect the tax imposed by that chapter apply to the tax,

penalties and interest imposed by section 349.212, subdivision 4 1, paragraph (b). The commissioner shall impose civil penalties for violation of this section as provided in section 297A.39, and the additional tax and penalties are subject to interest at the rate provided in section 270.75.

(2) If any part of any additional assessment is due to negligence or intentional disregard of the provisions of this chapter or rules of the commissioner of revenue (but without intent to defraud), there shall be added to the tax an amount equal to ten percent of the additional assessment. The amount of the tax together with this amount shall bear interest at the rate stated in section 270.75 from the time the tax should have been paid until paid.

Sec. 32. Minnesota Statutes 1988, section 349.2121, subdivision 7, is amended to read:

Subd. 7. [RULES.] The commissioner may adopt rules, including emergency rules, for the administration and enforcement of this section and section 349.212, ~~subdivision 4~~.

Sec. 33. Minnesota Statutes 1988, section 349.2121, subdivision 8, is amended to read:

Subd. 8. [PERSONAL DEBT.] The tax imposed by section 349.212, subdivision 1, paragraph (b), and interest and penalties imposed with respect to it, shall be a personal debt of the person required to file a return from the time the liability for it arises, irrespective of when the time for payment of the liability occurs. The debt shall, in the case of the executor or administrator of the estate of a decedent and in the case of any fiduciary, be that of the person in the person's official or fiduciary capacity only unless the person has voluntarily distributed the assets held in that capacity without reserving sufficient assets to pay the tax, interest, and penalties, in which event the person shall be personally liable for any deficiency.

Sec. 34. Minnesota Statutes 1988, section 349.2121, subdivision 10, is amended to read:

Subd. 10. [UNTALED PULL TABS OR TIPBOARDS GAMBLING EQUIPMENT.] It is a gross misdemeanor for any person to possess ~~pull tabs or tipboards~~ gambling equipment for resale in this state that ~~have~~ has not been registered with the board division of inspection and enforcement, for which a registration stamp has not been affixed to the flare, and upon which the taxes imposed by section 349.212, subdivision 4 1, paragraph (b), or chapter 297A have not been paid. The ~~executive secretary of the charitable gambling control board~~ director of inspection and enforcement or the commissioner of revenue or their designated inspectors and employees may seize in the name of the state of Minnesota any unregistered or untaxed ~~pull tabs or tipboards~~ gambling equipment.

Sec. 35. Minnesota Statutes 1988, section 349.2122, is amended to read:

**349.2122 [MANUFACTURERS; REPORTS TO THE COMMISSIONER; PENALTY.]**

A manufacturer ~~registered with~~ licensed by the board who sells pull-tabs and tipboards to a distributor licensed by the board must file with the commissioner of revenue, on a form prescribed by the commissioner, a report of pull-tabs and tipboards sold to licensed distributors. The report must be filed monthly on or before the 25th day of the month succeeding the month in which the sale was made. Any person violating this section shall be guilty of a misdemeanor.

Sec. 36. Minnesota Statutes 1988, section 349.2125, subdivision 1, is amended to read:

Subdivision 1. [CONTRABAND DEFINED.] The following are contraband:

(1) all pull-tab or tipboard deals that do not have stamps affixed to them as provided in section 349.162;

(2) all pull-tab or tipboard deals in the possession of any unlicensed person, firm, or organization, whether stamped or unstamped;

(3) any container used for the storage and display of any contraband pull-tab or tipboard deals as defined in clauses (1) and (2);

(4) all currency, checks, and other things of value used for pull-tab or tipboard transactions not expressly permitted under this chapter, and any cash drawer, cash register, or any other container used for illegal pull-tab or tipboard transactions including its contents; ~~and~~

(5) any device including, but not limited to, motor vehicles, trailers, snowmobiles, airplanes, and boats used, with the knowledge of the owner or of a person operating with the consent of the owner, for the storage or transportation of more than five pull-tab or tipboard deals that are contraband under this subdivision. When pull-tabs and tipboards are being transported in the course of interstate commerce, or from one distributor to another, the pull-tab and tipboard deals are not contraband, notwithstanding the provisions of clause (1);

(6) any unaffixed registration stamps except as provided in section 349.162, subdivision 4;

(7) any prize used or offered in a game utilizing contraband as defined in this subdivision;

(8) any altered, modified, or counterfeit pull-tab or tipboard ticket;

(9) any unregistered gambling equipment except as permitted by this chapter; and

(10) any gambling equipment kept in violation of section 349.18.

Sec. 37. Minnesota Statutes 1988, section 349.2125, subdivision 2, is amended to read:

Subd. 2. [SEIZURE.] ~~Pull-tabs or tipboards or other Property~~ made contraband by subdivision 1 may be seized by the commissioner of revenue or the ~~executive secretary of the charitable gambling control board~~ director of inspection and enforcement or their authorized agents or by any sheriff or other police officer, hereinafter referred to as the seizing authority, with or without process, and shall be subject to forfeiture as provided in subdivisions 3 and 4.

Sec. 38. Minnesota Statutes 1988, section 349.2125, subdivision 3, is amended to read:

Subd. 3. [INVENTORY; JUDICIAL DETERMINATION; APPEAL; DISPOSITION OF SEIZED PROPERTY.] Within two days after the seizure of any alleged contraband, the person making the seizure shall deliver an inventory of the property seized to the person from whom the property was seized, if known, and file a copy with the commissioner or the ~~executive secretary of the charitable gambling control board~~ director of inspection and enforcement. Within ten days after the date of service of the inventory, the person from whom the property was seized or any person claiming an interest in the property may file with the seizing authority a demand for judicial determination of whether the property was lawfully subject to seizure and forfeiture. Within 30 days after the date of filing of the demand, the seizing authority must bring an action in the district court of the county where seizure was made to determine the issue of forfeiture. The action must be brought in the name of the state and be prosecuted by the county attorney or by the attorney general. The court shall hear the action without a jury and determine the issues of fact and laws involved. When a judgment of forfeiture is entered, the seizing authority may, unless the judgment is stayed pending an appeal, either (1) cause the forfeited property to be destroyed; or (2) cause it to be sold at a public auction as provided by law.

If demand for judicial determination is made and no action is commenced as provided in this subdivision, the property must be released by the seizing authority and delivered to the person entitled to it. If no demand is made, the property seized is considered forfeited to the state by operation of law and may be disposed of by the seizing authority as provided where there has been a judgment

of forfeiture. When the seizing authority is satisfied that a person from whom property is seized was acting in good faith and without intent to evade the tax imposed by section ~~349.2121, subdivision 4~~ 349.212, subdivision 1, paragraph (b), the seizing authority shall release the property seized without further legal proceedings.

Sec. 39. Minnesota Statutes 1988, section 349.2127, subdivision 2, is amended to read:

Subd. 2. [PROHIBITION AGAINST POSSESSION.] (a) No person, other than a licensed distributor, shall sell, offer for sale, or have in possession with intent to sell or offer for sale, a pull-tab or tipboard deal not stamped in accordance with the provisions of this chapter.

(b) No person other than a licensed distributor or licensed or exempt organization under section 349.214 may possess gambling equipment, except (1) equipment exempt from taxation under section 349.212, paragraph (b), or (2) equipment put into play by a licensed or exempt organization.

(c) No person, firm, or organization may possess altered, modified, or counterfeit pull-tabs or tipboard tickets with intent to sell, redeem, or exchange them.

Sec. 40. Minnesota Statutes 1988, section 349.214, subdivision 2, is amended to read:

Subd. 2. [LAWFUL GAMBLING.] (a) Raffles may be conducted by an organization as defined in section 349.12, subdivision 12, without complying with sections 349.11 to 349.14 and 349.151 to 349.213 if the value of all raffle prizes awarded by the organization in a calendar year does not exceed \$750.

(b) Lawful gambling may be conducted by an organization as defined in section 349.12, subdivision 12, without complying with sections 349.11 to 349.14 and 349.151 to 349.212 if:

(1) the organization conducts lawful gambling on five or fewer days in a calendar year;

(2) the organization does not award more than \$50,000 in prizes for lawful gambling in a calendar year;

(3) the organization notifies the board in writing not less than 30 days before each lawful gambling occasion of the date and location of the occasion, the types of lawful gambling to be conducted, the prizes to be awarded, and receives an exemption identification number;

(4) the organization notifies the local government unit 30 days before the lawful gambling occasion;

(5) the organization purchases all gambling equipment and supplies from a licensed distributor; and

(6) the organization reports to the board, on a single page form prescribed by the board, within 30 days of each gambling occasion, the gross receipts, prizes, expenses, expenditures of net profits from the occasion, and the identification of the licensed distributor from whom all gambling equipment was purchased.

(c) If the organization fails to file a timely report as required by paragraph (b), clause (3) or (6), a \$250 penalty is imposed on the organization. Failure to file a timely report does not disqualify the organization as exempt under this paragraph if a report is subsequently filed and the penalty paid.

(d) Merchandise prizes must be valued at their fair market value.

(e) Notwithstanding paragraph (b), an organization which conducts bingo under this subdivision must comply with section 349.211, subdivisions 1 and 2.

(f) Unused pull-tab and tipboard deals must be returned to the distributor within seven days after the end of the lawful gambling occasion. The distributor must accept and pay a refund for all returns of unopened and undamaged deals returned under this paragraph.

#### Sec. 41. [349.215] [EXAMINATIONS.]

Subdivision 1. [EXAMINATION OF TAXPAYER.] To determine the accuracy of a return or report, or in fixing liability under this chapter, the commissioner may make reasonable examinations or investigations of a taxpayer's place of business, tangible personal property, equipment, computer systems and facilities, pertinent books, records, papers, vouchers, computer printouts, accounts, and documents.

Subd. 2. [ACCESS TO RECORDS OF OTHER PERSONS IN CONNECTION WITH EXAMINATION OF TAXPAYER.] When conducting an investigation or an audit of a taxpayer, the commissioner may examine, except where privileged by law, the relevant records and files of a person, business, institution, financial institution, state agency, agency of the United States government, or agency of another state where permitted by statute, agreement, or reciprocity. The commissioner may compel production of these records by subpoena. A subpoena may be served directly by the commissioner.

Subd. 3. [POWER TO COMPEL TESTIMONY.] In the administration of this chapter, the commissioner may:

(1) administer oaths or affirmations and compel by subpoena the attendance of witnesses, testimony, and the production of a person's pertinent books, records, papers, or other data.

(2) examine under oath or affirmation any person regarding the business of a taxpayer concerning a matter relevant to the administration of this chapter. The fees of witnesses required by the commissioner to attend a hearing are equal to those allowed to witnesses appearing before courts of this state. The fees must be paid in the manner provided for the payment of other expenses incident to the administration of state tax law; and

(3) in addition to other remedies available, bring an action in equity by the state against a taxpayer for an injunction ordering the taxpayer to file a complete and proper return or amended return. The district courts of this state shall have jurisdiction over the action, and disobedience of an injunction issued under this clause may be punished as a contempt of district court.

Subd. 4. [THIRD PARTY SUBPOENA WHERE TAXPAYER'S IDENTITY IS KNOWN.] An investigation may extend to any person that the commissioner determines has access to information that may be relevant to the examination or investigation. When a subpoena requiring the production of records under subdivision 2 is served on a third-party record keeper, written notice of the subpoena must be mailed to the taxpayer and to any other person who is identified in the subpoena. The notices must be given within three days of the day on which the subpoena is served. Notice to the taxpayer required by this section is sufficient if it is mailed to the last address on record with the commissioner.

Subd. 5. [THIRD PARTY SUBPOENA WHERE TAXPAYER'S IDENTITY IS NOT KNOWN.] A subpoena that does not identify the person or persons whose tax liability is being investigated may be served only if:

(1) the subpoena relates to the investigation of a particular person or ascertainable group or class of persons;

(2) there is a reasonable basis for believing that the person or group or class of persons may fail or may have failed to comply with tax laws administered by the commissioner;

(3) the subpoena is clear and specific concerning information sought to be obtained; and

(4) the information sought to be obtained is limited solely to the scope of the investigation.

A party served with a subpoena that does not identify the person

or persons with respect to whose tax liability the subpoena is issued may, within three days after service of the subpoena, petition the district court in the judicial district in which that party is located for a determination whether the commissioner has complied with all the requirements in clauses (1) to (4), and thus, whether the subpoena is enforceable. If no petition is made by the party served within the time prescribed, the subpoena has the effect of a court order.

Subd. 6. [REQUEST BY TAXPAYER FOR SUBPOENA.] When the commissioner has the power to issue a subpoena for investigative or auditing purposes, then the commissioner shall honor a reasonable request by the taxpayer to issue a subpoena on the taxpayer's behalf, if in connection with the investigation or audit.

Subd. 7. [APPLICATION TO COURT FOR ENFORCEMENT OF SUBPOENA.] The commissioner or the taxpayer may apply to the district court of the county of the taxpayer's residence, place of business, or county where the subpoena can be served as with any other case at law, for any order compelling the appearance of the subpoenaed witness or the production of the subpoenaed records. Failure to comply with the order of the court for the appearance of a witness or the production of records may be punished by the court as for contempt.

Subd. 8. [COST OF PRODUCTION OF RECORDS.] The reasonable costs of producing records of a third party required by a subpoena must be paid by the taxpayer, if the taxpayer requests the subpoena to be issued, or if the taxpayer has the records available but has refused to provide them to the commissioner. In other cases where the taxpayer is unable to produce records and the commissioner then initiates a subpoena for third-party records, the commissioner shall pay the reasonable cost of producing the records. The commissioner may later assess the reasonable costs against the taxpayer if the records contribute to the determination of an assessment of tax against the taxpayer.

Sec. 42. [349.2151] [ASSESSMENTS.]

Subdivision 1. [GENERALLY.] The commissioner shall make determinations, corrections, and assessments with respect to taxes (including interest, additions to taxes, and assessable penalties) imposed under this chapter.

Subd. 2. [ORDER OF ASSESSMENT; NOTICE AND DEMAND TO TAXPAYER.] (a) When a return has been filed and the commissioner determines that the tax disclosed by the return is different than the tax determined by the examination, the commissioner shall send an order of assessment to the taxpayer. The order must explain the basis for the assessment and must explain the taxpayer's appeal rights. An assessment by the commissioner must be

made by recording the liability of the taxpayer in the office of the commissioner, which may be done by keeping a copy of the order of assessment sent to the taxpayer. An order of assessment is final when made but may be reconsidered by the commissioner under section 349.218.

(b) The amount of unpaid tax shown on the order must be paid to the commissioner: (1) within 60 days after notice of the amount and demand for its payment have been mailed to the taxpayer by the commissioner; or (2) if an administrative appeal is filed under section 349.218 within 60 days following the determination or compromise of the appeal.

Sec. 43. [349.216] [CIVIL PENALTIES.]

Subdivision 1. [PENALTY FOR FAILURE TO PAY TAX.] If a tax is not paid within the time specified for payment, a penalty is added to the amount required to be shown as tax. The penalty is three percent of the unpaid tax if the failure is for not more than 30 days, with an additional penalty of three percent of the amount of tax remaining unpaid during each additional 30 days or fraction of 30 days during which the failure continues, not exceeding 24 percent in the aggregate.

If the taxpayer has not filed a return, for purposes of this subdivision the time specified for payment is the final date a return should have been filed.

Subd. 2. [PENALTY FOR FAILURE TO MAKE AND FILE RETURN.] If a taxpayer fails to make and file a return within the time prescribed or an extension, a penalty is added to the tax. The penalty is three percent of the amount of tax not paid on or before the date prescribed for payment of the tax if the failure is for not more than 30 days, with an additional five percent of the amount of tax remaining unpaid during each additional 30 days or fraction of 30 days, during which the failure continues, not exceeding 23 percent in the aggregate.

If a taxpayer fails to file a return within 60 days of the date prescribed for filing of the return (determined with regard to any extension of time for filing), the addition to tax under this subdivision must be at least the lesser of: (1) \$200; or (2) the greater of (a) 25 percent of the amount required to be shown as tax on the return without reduction for any payments made or refundable credits allowable against the tax, or (b) \$50.

Subd. 3. [COMBINED PENALTIES.] When penalties are imposed under subdivisions 1 and 2, except for the minimum penalty under subdivision 2, the penalties imposed under both subdivisions combined must not exceed 38 percent.

Subd. 4. [PENALTY FOR INTENTIONAL DISREGARD OF LAW OR RULES.] If part of an additional assessment is due to intentional disregard of the provisions of the applicable chapters of rules of the commissioner (but without intent to defraud), there is added to the tax an amount equal to ten percent of the additional assessment.

Subd. 5. [PENALTY FOR FALSE OR FRAUDULENT RETURN; EVASION.] If a person files a false or fraudulent return, or attempts in any manner to evade or defeat a tax or payment of tax, there is imposed on the person a penalty of not more than 50 percent of the tax found due for the period to which the return related, less amounts paid by the person on the basis of the false or fraudulent return.

Subd. 6. [PENALTY FOR SALES AFTER REVOCATION, SUSPENSION, OR EXPIRATION.] A distributor who engages in, or whose representative engages in, the offering for sale, sale, transport, delivery, or furnishing of gambling equipment to a person, firm, or organization, after the distributor's license or permit has been revoked or suspended, or has expired, and until such license or permit has been reinstated or renewed, is liable for a penalty of \$1,000 for each day the distributor continues to engage in the activity. This subdivision does not apply to the transport of gambling equipment for the purpose of returning the equipment to a licensed manufacturer.

Subd. 7. [PAYMENT OF PENALTIES.] The penalties imposed by this section must be collected and paid in the same manner as taxes.

Subd. 8. [PENALTIES ARE ADDITIONAL.] The civil penalties imposed by this section are in addition to the criminal penalties imposed by this chapter.

Subd. 9. [ORDER PAYMENTS CREDITED.] All payments received may be credited first to the oldest liability not secured by a judgment or lien in the discretion of the commissioner of revenue, but in all cases must be credited first to penalties, next to interest, and then to the tax due.

Sec. 44. [349.2161] [TAX-RELATED CRIMINAL PENALTIES.]

Subdivision 1. [PENALTY FOR FAILURE TO FILE OR PAY.] (a) A person required to file a return, report, or other document with the commissioner, who knowingly fails to file it when required, is guilty of a gross misdemeanor. A person required to file a return, report, or other document who willfully attempts to evade or defeat a tax by failing to file it when required is guilty of a felony.

(b) A person required to pay or to collect and remit a tax, who knowingly fails to do so when required, is guilty of a gross misde-

meonor. A person required to pay or to collect and remit a tax, who willfully attempts to evade or defeat a tax law by failing to do so when required is guilty of a felony.

Subd. 2. [FALSE OR FRAUDULENT RETURNS; PENALTIES.] (a) A person required to file a return, report, or other document with the commissioner, who delivers to the commissioner a return, report, or other document known by the person to be fraudulent or false concerning a material matter, is guilty of a felony.

(b) A person who knowingly aids or assists in, or advises in the preparation or presentation of a return, report, or other document that is fraudulent or false concerning a material matter, whether or not the falsity or fraud committed is with the knowledge or consent of the person authorized or required to present the return, report, or other document, is guilty of a felony.

Subd. 3. [SALES WITHOUT PERMIT; VIOLATIONS.] (a) A person who engages in the business of selling pull-tabs or tipboards in Minnesota without the licenses or permits required under this chapter, or an officer of a corporation who so engages in the sales, is guilty of a gross misdemeanor.

(b) A person selling gambling equipment in Minnesota after revocation, suspension, or expiration of a license or permit under this chapter, when the commissioner or the board has not issued a new license or permit, or before the suspension period has ended, is guilty of a felony.

Subd. 4. [CRIMINAL PENALTIES.] Criminal penalties imposed by this section are in addition to civil penalties imposed by this chapter.

Sec. 45. [349.217] [INTEREST.]

Subdivision 1. [INTEREST RATE.] When an interest assessment is required under this section, interest is computed at the rate specified in section 270.75.

Subd. 2. [LATE PAYMENT.] If a tax is not paid within the time specified by law for payment, the unpaid tax bears interest from the date the tax should have been paid until the date the tax is paid.

Subd. 3. [EXTENSIONS.] If an extension of time for payment has been granted, interest must be paid from the date the payment should have been made if no extension had been granted, until the date the tax is paid.

Subd. 4. [ADDITIONAL ASSESSMENTS.] If a taxpayer is liable for additional taxes because of a redetermination by the commis-

sioner, or for any other reason, the additional taxes bear interest from the time the tax should have been paid, without regard to any extension allowed, until the date the tax is paid.

Subd. 5. [ERRONEOUS REFUNDS.] In the case of an erroneous refund, interest accrues from the date the refund was paid unless the erroneous refund results from a mistake of the department, then no interest or penalty is imposed unless the deficiency assessment is not satisfied within 60 days of the order.

Subd. 6. [INTEREST ON JUDGMENTS.] Notwithstanding section 549.09, if judgment is entered in favor of the commissioner with regard to any tax, the judgment bears interest at the rate specified in section 270.75 from the date the judgment is entered until the date of payment.

Subd. 7. [INTEREST ON PENALTIES.] (a) A penalty imposed under section 349.2161, subdivision 1, 2, 3, 4, or 5, bears interest from the date the return or payment was required to be filed or paid (including any extensions) to the date of payment of the penalty.

(b) A penalty not included in paragraph (a) bears interest only if it is not paid within ten days from the date of notice. In that case interest is imposed from the date of notice to the date of payment.

Sec. 46. [349.218] [ADMINISTRATIVE REVIEW.]

Subdivision 1. [TAXPAYER RIGHT TO RECONSIDERATION.] A taxpayer may obtain reconsideration by the commissioner of an order assessing tax, a denial of a request for abatement of penalty assessed under section 349.152, subdivision 1, clause (5), or 349.2161, or a denial of a claim for refund of money paid to the commissioner under provisions, assessments, or orders under this chapter by filing an administrative appeal as provided in subdivision 4. A taxpayer cannot obtain reconsideration if the action taken by the commissioner is the outcome of an administrative appeal.

Subd. 2. [APPEAL BY TAXPAYER.] A taxpayer who wishes to seek administrative review must follow the procedure provided by subdivision 4.

Subd. 3. [NOTICE DATE.] For purposes of this section the term "notice date" means the date of the order adjusting the tax or order denying a request for abatement, or, in the case of a denied refund, the date of the notice of denial.

Subd. 4. [TIME AND CONTENT FOR ADMINISTRATIVE APPEAL.] Within 60 days after the notice date, the taxpayer must file a written appeal with the commissioner. The appeal need not be in any particular form but must contain the following information:

- (1) name and address of the taxpayer;
- (2) if a corporation, the state of incorporation of the taxpayer, and the principal place of business of the corporation;
- (3) the Minnesota identification number or social security number of the taxpayer;
- (4) the type of tax involved;
- (5) the date;
- (6) the tax years or periods involved and the amount of tax involved for each year or period;
- (7) the findings in the notice that the taxpayer disputes;
- (8) a summary statement that the taxpayer relies on for each exception; and
- (9) the taxpayer's signature or signature of the taxpayer's duly authorized agent.

Subd. 5. [EXTENSIONS.] When requested in writing and within the time allowed for filing an administrative appeal, the commissioner may extend the time for filing an appeal for a period not to exceed 30 days from the expiration of the 60 days from the notice date.

Subd. 6. [AUTOMATIC EXTENSION OF STATUTE OF LIMITATIONS.] Notwithstanding any statute of limitations to the contrary, when the commissioner has made a determination and the taxpayer has authority to file an administrative appeal, the period during which the commissioner can make further assessments or other determinations does not expire before:

- (1) 90 days after the notice date if no protest is filed under subdivision 4; or
- (2) 90 days after the commissioner notifies the taxpayer of the determination on the appeal.

Subd. 7. [DETERMINATION OF APPEAL.] On the basis of applicable law and available information, the commissioner shall determine the validity, if any, in whole or part of the appeal and notify the taxpayer of the decision. This notice must be in writing and contain the basis for the determination.

Subd. 8. [AGREEMENT DETERMINING TAX LIABILITY.] When it appears to be in the best interests of the state, the

commissioner may settle taxes, penalties, or interest that the commissioner has under consideration by virtue of an appeal filed under this section. An agreement must be in writing and signed by the commissioner and the taxpayer or the taxpayer's representative authorized by the taxpayer to enter into an agreement. An agreement must be filed in the office of the commissioner.

Subd. 9. [APPEAL OF AN ADMINISTRATIVE APPEAL.] Following the determination or settlement of an appeal, the commissioner must issue an order reflecting that disposition. Except in the case of an agreement determining tax under this section, the order is appealable to the Minnesota tax court under section 271.06.

Subd. 10. [APPEAL WHERE NO DETERMINATION.] If the commissioner does not make a determination within six months of the filing of an administrative appeal, the taxpayer may elect to appeal to tax court.

Subd. 11. [EXEMPTION FROM ADMINISTRATIVE PROCEDURE ACT.] This section is not subject to chapter 14.

Sec. 47. Minnesota Statutes 1988, section 349.22, subdivision 1, is amended to read:

Subdivision 1. [GROSS MISDEMEANOR.] A person who in any manner violates sections 349.11 to 349.214 349.23 to evade the a tax imposed by a provision of this chapter, or who aids and abets evasion of the a tax, or hinders or interferes with a seizing authority when a seizure is made as provided by section 349.2125, is guilty of a gross misdemeanor.

Sec. 48. Minnesota Statutes 1988, section 349.22, subdivision 3, is amended to read:

Subd. 3. [FELONY.] (a) A person violating section 349.2127, subdivision 1 or 3, is guilty of a felony.

(b) A person violating who violates section 349.2127, subdivisions 2 and 4, by possessing, receiving, or transporting more than ten pull-tab or tipboard deals not stamped in accordance with this chapter or games, or any combination thereof which exceeds ten deals or games, is guilty of a felony.

Sec. 49. [REPEALER.]

Minnesota Statutes 1988, sections 349.151, subdivisions 3 and 5; 349.161, subdivision 7; 349.164, subdivision 5; 349.171; and 349.22, subdivision 4, are repealed.

Sec. 50. [EFFECTIVE DATE.]

Except as otherwise provided, sections 1 to 49 are effective July 1, 1989.

Section 2 is effective for tipboard deals put into play on or after July 1, 1989.

Section 15 is effective for applications, including applications for license renewals, received by counties on and after July 1, 1989.

Sections 18; 24; 26, subdivision 4a; 41; 42; 43; 46; and 47 are effective for reports and returns becoming due on and after July 1, 1989.

Section 21 is effective for applications received by the board on or after July 1, 1989.

Sections 21 and 23 are effective for applications for licenses and renewals taking effect on or after July 1, 1989.

Sections 44 and 45 are effective for violations occurring on and after July 1, 1989.

### ARTICLE 3

#### STATE LOTTERY DIVISION

##### Section 1. [349A.01] [STATEMENT OF POLICY.]

The legislature finds that for the purpose of raising necessary additional revenue for public purposes by means of a state-operated lottery in conformity with all applicable laws and rules, consistent with the public interest, the dignity of the state and the need for the highest levels of integrity and public confidence, there is a need to establish a division of state lottery within the department of gaming.

##### Sec. 2. [349A.02] [DEFINITIONS.]

Subdivision 1. [TERMS DEFINED.] For the purposes of this chapter the terms defined in this section have the meanings given them.

Subd. 2. [BOARD.] "Board" is the state lottery board established in section 4.

Subd. 3. [DIRECTOR.] "Director" is the director of the state lottery division.

Subd. 4. [COMMISSIONER.] "Commissioner" is the commissioner of gaming.

Subd. 5. [DEPARTMENT.] "Department" is the department of gaming.

Subd. 6. [DIVISION.] "Division" is the division of the state lottery in the department of gaming.

Subd. 7. [LOTTERY.] "Lottery" is the state lottery operated by the state lottery division of the department.

Subd. 8. [PERSON.] "Person" is an individual, firm, association, partnership, corporation, trustee, or legal representative.

Subd. 9. [MAJOR PROCUREMENT CONTRACT.] "Major procurement contract" is a contract to provide lottery products, computer hardware and software used to monitor sales of lottery tickets, or lottery tickets. Major procurement contracts do not include contracts to provide annuity or prize payment agreements, and materials, supplies, equipment, and services common to the ordinary operations of state agencies.

Sec. 3. [349A.03] [STATE LOTTERY AGENCY.]

Subdivision 1. [DIRECTOR.] A state lottery division is established in the department of gaming, under the supervision and control of the director of the state lottery. The governor shall appoint the first director from a list of one or more persons recommended to the governor by the governor's commission on the lottery which was appointed by the governor on December 8, 1988. Subsequent directors must be appointed by the commissioner. The director must be qualified by experience and training to supervise the lottery. The director serves in the unclassified service.

Subd. 2. [REMOVAL.] (a) The director may be removed from that position only by the person who appointed the director. The director may be removed, after notice and a hearing if requested, only for:

- (1) violating section 12;
- (2) malfeasance, nonfeasance, or misfeasance as defined in section 351.14, subdivisions 2, 3, and 4; or
- (3) failure to perform adequately the duties of the director.

(b) For the purposes of this subdivision, adequate performance of the director may be determined by:

- (1) gross revenue from the sale of lottery tickets;

- (2) efficiency of the administration of lottery operations;
- (3) public confidence in the integrity of the lottery; and
- (4) compliance with advertising requirements in section 10.

Subd. 3. [POWERS AND DUTIES.] The director shall operate the lottery consistent with the policy in section 1. In doing so the director shall exercise the following powers and duties:

- (1) adopt rules and game procedures;
- (2) issue lottery retailer contracts and rule on appeals of decisions relating to those contracts;
- (3) make contracts for the provision of goods and services to the lottery;
- (4) employ personnel as are required to operate the lottery; and
- (5) take all necessary steps to ensure the integrity of, and public confidence in, the state lottery.

Subd. 4. [EMPLOYEES; CLASSIFICATION.] The director may appoint other personnel as are necessary to operate the state lottery. Employees of the division who are not professional employees as defined in section 179A.03, subdivision 13, and employees whose primary responsibilities are in data processing and accounting, are in the classified service. All other employees of the division are in the unclassified service.

Subd. 5. [COMPENSATION.] The compensation of employees in the division is as provided in chapter 43A. The commissioner of employee relations shall, at the request of the director, develop and implement a plan for making incentive payments to employees of the division whose primary responsibilities are in marketing.

Subd. 6. [EMPLOYEES; BACKGROUND CHECKS.] The director shall conduct background checks, or request the director of inspection and enforcement to make background checks, on all prospective employees and may require that all employees of the division be fingerprinted. No person may be employed by the division who has been convicted of a felony or a crime involving fraud or misrepresentation within five years of starting employment with the division, or has ever been convicted of a gambling-related offense. The director has access to all criminal history data compiled by the bureau of criminal apprehension or the division of inspection and enforcement on employees and prospective employees of the lottery. The director may employ necessary persons pending the completion of a background check.

Subd. 7. [ASSISTANCE.] The director may request any other department or agency of the state, including the division of inspection and enforcement, to provide reasonable assistance to the director in carrying out the director's duties. The director shall make appropriate reimbursement for all assistance.

Sec. 4. [349A.04] [STATE LOTTERY BOARD.]

Subdivision 1. [BOARD CREATED.] There is created within the division a state lottery board. The board consists of six members appointed by the governor plus the commissioner as a voting member. Not more than four of the members appointed by the governor may belong to the same political party and at least three members must reside outside the seven-county metropolitan area. The terms of office, removal from office, and compensation of members of the board, other than the commissioner, are as provided in section 15.059. The members of the board shall select the chair of the board, who shall not be the commissioner.

Subd. 2. [BOARD DUTIES.] The board has the following duties:

- (1) to advise the director on all aspects of the lottery;
- (2) to review and comment on rules and game procedures adopted by the director; and
- (3) to review and comment on advertising promulgated by the director at least quarterly to ensure that all advertising is consistent with the dignity of the state and with section 10.

Sec. 5. [349A.05] [LOTTERY GAME PROCEDURES.]

The director may adopt game procedures governing the following elements of the lottery:

- (1) lottery games;
- (2) ticket prices;
- (3) number and size of prizes;
- (4) methods of selecting winning tickets; and
- (5) frequency and method of drawings.

The adoption of lottery game procedures is not subject to chapter 14. Before adopting a lottery game procedure, the director shall submit the procedure to the board for its review and comment.

## Sec. 6. [349A.06] [RULES.]

The director may adopt rules, including emergency rules, under chapter 14 governing the following elements of the lottery:

- (1) the number and types of lottery retailers' locations;
- (2) qualifications of lottery retailers and application procedures for lottery retailer contracts;
- (3) investigation of lottery retailer applicants;
- (4) appeal procedures for denial, suspension, or cancellation of lottery retailer contracts;
- (5) compensation of lottery retailers;
- (6) accounting for and deposit of lottery revenues by lottery retailers;
- (7) procedures for issuing major procurement contracts and for the investigation of bidders on those contracts;
- (8) payment of prizes;
- (9) procedures needed to ensure the integrity and security of the lottery; and
- (10) other rules the director considers necessary for the efficient operation and administration of the lottery. Before adopting a rule the director shall submit the rule to the board for its review and comment.

## Sec. 7. [349A.07] [LOTTERY RETAILERS.]

Subdivision 1. [CONTRACTS.] The director shall sell tickets for the lottery through lottery retailers with whom the director contracts. Contracts under this section are valid for a period of one year.

Subd. 2. [QUALIFICATIONS.] (a) The director may not contract with a retailer who:

- (1) is under the age of 18;
- (2) is in business solely as a seller of lottery tickets;
- (3) has been convicted within the previous five years of a felony or gross misdemeanor, any crime involving fraud or misrepresentation, or a gambling-related offense;

(4) is a member of the immediate family, residing in the same household, as the director, board member, or any employee of the division; or

(5) in the director's judgment does not have the financial stability or responsibility to act as a lottery retailer, or whose contracting as a lottery retailer would adversely affect the public health, welfare, and safety, or endanger the security and integrity of the lottery.

(b) An organization, firm, partnership, or corporation that has (1) a stockholder who owns more than five percent of the stock of the corporation, or (2) an officer, or director, that does not meet the requirements of paragraph (a), clause (3) is not eligible to be a lottery retailer under this section.

(c) The restrictions under paragraph (a), clause (3), do not apply to an organization, partnership, or corporation if the director determines that the organization, partnership, or firm has terminated its relationship with the individuals whose actions directly contributed to the disqualification under this subdivision.

Subd. 3. [BOND.] The director shall require that each lottery retailer post a bond, in an amount as the director deems necessary, to protect the financial interests of the state.

Subd. 4. [CRIMINAL HISTORY.] The director may request the director of inspection and enforcement to investigate all applicants for lottery retailer contracts. The director may issue a temporary contract, valid for not more than 90 days, to an applicant pending the completion of the investigation or a final determination of qualifications under this section.

Subd. 5. [RESTRICTIONS ON LOTTERY RETAILERS.] (a) A lottery retailer may sell lottery tickets only on the premises described in the contract.

(b) A lottery retailer must prominently display a certificate issued by the director on the premises where lottery tickets will be sold.

(c) A lottery retailer must keep a complete set of books of account, correspondence, and all other records necessary to show fully the retailer's lottery transactions, and make them available for inspection by employees of the division at all times during business hours. The director may require a lottery retailer to furnish information as the director deems necessary to carry out the purposes of this chapter, and may require an audit to be made of the books of account and records. The director may select an auditor to perform the audit and may require the retailer to pay the cost of the audit. The auditor has the same right of access to the books of account, correspondence, and other records as is given to employees of the agency.

(d) A contract issued under this section may not be transferred or assigned.

(e) The director shall require that lottery tickets may be sold by retailers only for cash.

Subd. 6. [ON-SALE LIQUOR ESTABLISHMENTS.] The director may not authorize the sale of lottery tickets within establishments licensed to sell alcoholic beverages for consumption on the premises that, within the previous five years of applying to be a lottery retailer, have had a licensed organization conducting lawful gambling on the premises under chapter 349.

Subd. 7. [NONPROFIT ORGANIZATIONS.] The director may not enter into a contract with a nonprofit organization to act as a lottery retailer under this section.

Subd. 8. [RETENTION BY RETAILERS.] The director may by rule provide for:

(1) amounts which a lottery retailer may retain from gross receipts from the sale of lottery tickets in order to pay prizes to holders of winning tickets; and

(2) amounts which a lottery retailer may retain from gross receipts from the sale of lottery tickets as a commission.

Subd. 9. [RETAILER RENTAL PAYMENTS.] If a lottery retailer's rental payments for the business premises are contractually computed, in whole or in part, on the basis of a percentage of retail sales, and the computation of retail sales is not explicitly defined to include the sale of lottery tickets, the compensation retained by the sales agent for the sale of lottery tickets shall be considered the amount of the retail sale for purposes of computing the rental payments.

Subd. 10. [PROCEEDS OF SALES.] All proceeds from the sale of lottery tickets received by a lottery retailer constitute a trust fund until paid to the director. The lottery retailer is personally liable for all proceeds.

Subd. 11. [PRIVATE DATA.] All reports filed by lottery retailers with the director are private data under chapter 13.

Subd. 12. [FEE.] The director may charge a nonrefundable application fee to a person applying for a lottery retailer contract. The fee collected under this subdivision must be deposited in the lottery fund.

Subd. 13. [LOCAL LICENSES.] No political subdivision may

require a local license to operate as a lottery retailer or impose a tax or fee on the business of operating as a lottery retailer.

Subd. 14. [REVOCAION, SUSPENSION, AND REFUSAL TO RENEW LICENSES.] (a) The director may cancel the contract of any lottery retailer who:

(1) has been convicted of a felony or gross misdemeanor in any federal or state court;

(2) has committed fraud, misrepresentation, or deceit;

(3) has provided false or misleading information to the division; or

(4) has acted in a manner prejudicial to public confidence in the integrity of the lottery.

(b) The director may cancel, suspend, or refuse to renew the contract of any lottery retailer who:

(1) changes business location;

(2) fails to account for lottery tickets received or the proceeds from tickets sold;

(3) fails to remit funds to the director in accordance with the director's rules;

(4) violates a law or a rule or order of the director;

(5) fails to comply with any of the terms in the lottery retailer's contract;

(6) fails to comply with bond requirements under this section; or

(7) in the opinion of the director fails to maintain a sufficient sales volume to justify continuation as a lottery retailer.

(c) The director may also cancel, suspend, or refuse to renew a lottery retailer's contract if there is a material change in any of the factors considered by the director under subdivision 2.

(d) A contract cancellation, suspension, or refusal to renew under this subdivision is a contested case under sections 14.57 to 14.69 and is in addition to any criminal penalties provided for a violation of law or rule.

(e) The director may temporarily suspend a contract without notice for any of the reasons specified in this subdivision provided

that a hearing is conducted within seven days after a request for a hearing is made by a lottery retailer. Within 20 days after receiving the administrative law judge's report, the director shall issue an order vacating the temporary suspension or making any other appropriate order. If no hearing is requested within 30 days of the temporary suspension taking effect, the director may issue an order making the suspension permanent.

Sec. 8. [349A.08] [VENDOR CONTRACTS.]

Subdivision 1. [CONTRACTS AUTHORIZED.] The director may enter into major procurement contracts for the purchase, lease, or lease-purchase of the goods or services that are necessary for the purposes of this chapter. In entering into all major procurement contracts, the director shall utilize an open bid process and shall take into account the particularly sensitive nature of the state lottery and shall consider the competence, quality of product, experience, and timely performance of each potential vendor in order to promote and ensure security, honesty, fairness, and integrity in the operation and administration of the lottery.

Subd. 2. [INVESTIGATION OF POTENTIAL VENDORS.] The director shall request the director of the division of inspection and enforcement to investigate the background, financial responsibility, security, and integrity of any person who submits a bid, proposal, or offer as part of a major procurement contract issuance by the agency. The director may require the person making the bid, proposal, or offer to pay for the cost of the investigation. Any fee collected under this subdivision must be deposited into the state lottery fund. At the time of submitting any bid, proposal, or offer, the bidder shall disclose to the director the information the director considers necessary to carry out the purposes of this section. The director has access to all criminal history data compiled by the division of inspection and enforcement on all vendors and potential vendors who have submitted a bid to the agency.

Subd. 3. [PERSONS INELIGIBLE FOR CONTRACT.] (a) The director may not enter into a major procurement contract with an applicant that has been convicted of a felony in a state or federal court within the last ten years, has been convicted of a gambling-related gross misdemeanor, or misdemeanor within the last five years, or has been found guilty of any crime involving fraud or misrepresentation within the last five years.

(b) The director may not enter into a major procurement contract with an applicant that has (1) a person who owns more than five percent of the stock in the applicant, or (2) a partner, officer, or director that does not meet the requirements of this subdivision.

(c) The restrictions under this subdivision do not apply to an applicant for a major procurement contract if the director deter-

mines that the applicant has terminated its relationship with the individuals whose actions directly contributed to the disqualification of the applicant under this subdivision.

Subd. 4. [CONFLICT OF INTEREST.] The director may not enter into a contract with a person to supply goods or services if that person has an ownership interest in an entity that had supplied consultation services to the lottery regarding the request for proposal pertaining to those particular goods or services.

Subd. 5. [BOND.] (a) The director shall require securities to be deposited, or a performance bond or a letter of credit to be executed by the person or corporation that is awarded a major procurement contract in an amount as determined by the director.

(b) Any securities deposited with the director under this subdivision must be interest-bearing and limited to:

(1) certificates of deposit issued by a solvent bank or savings association organized and existing under the laws of this state or under the laws of the United States and having its principal place of business in this state;

(2) United States bonds, notes, and bills, for which the full faith and credit of the government of the United States is pledged for the payment of principal and interest; and

(3) general obligation bonds of any political subdivision of this state, or corporate bonds of a corporation that is not an affiliate or subsidiary of the vendor, if the general obligation bonds or corporate bonds are rated in one of the four highest classifications by an established nationally-recognized investment rating service.

(c) Any letter of credit executed under this subdivision must provide that:

(1) nothing more than a demand for payment is necessary for payment and is not conditional on the delivery of any other documents or materials;

(2) the letter of credit is irrevocable and cannot be modified or revoked without the consent of the director;

(3) the letter of credit cannot expire without notice from the issuer and the notice must occur at least 60 days before the expiration date of the letter of credit;

(4) the letter of credit is issued by a bank which is a member of the federal reserve system which has a long-term debt rating by a recognized national rating agency of investment grade or better;

(5) the letter of credit is unconditional, is not conditional upon reimbursement to the bank or the bank's ability to perfect any lien or security interest, and does not contain references to any other agreement, document, or entity; and

(6) the letter of credit designates the director as beneficiary.

Subd. 6. [EXEMPTIONS.] Major procurement contracts entered into by the director are not subject to the provisions of sections 16B.06 to 16B.102, provided that the director must utilize an open and competitive bid process for major procurement contracts, and as nearly as practicable follow the procedures of chapter 16B governing contracts, consistent with the provisions of this section.

Subd. 7. [ASSIGNMENT.] A contract entered into under this section may not be assigned without the specific written approval of the director.

Sec. 9. [349A.09] [LOTTERY PRIZES.]

Subdivision 1. [AGREEMENT BY PLAYERS.] A person who buys a lottery ticket agrees to be bound by the rules applicable to the particular lottery game for which the ticket is purchased. The player acknowledges that the determination of whether a ticket is a valid winning ticket is subject to the rules of the director, claims procedures established by the director for that game, and any confidential or public validation tests established by the director for that game.

Subd. 2. [PRIZES NOT ASSIGNABLE.] A prize in the state lottery is not assignable except as provided in subdivision 3 and except that:

(1) if a prize winner dies before the prize is paid, the director shall pay the prize to the prize winner's estate; and

(2) the director may pay a prize to a person other than the winner of that prize under an appropriate court order.

Subd. 3. [PRIZES WON BY PERSONS UNDER AGE 18.] The following provisions govern the payment of a lottery prize to a person under age 18:

(1) if the prize is less than \$5,000, the director may give a draft, payable to the order of the person under age 18, to the person's parents, custodial parent if one parent has custody, guardian, or other adult member of the person's family; and

(2) if the prize is \$5,000 or more, the director may deposit the prize in a financial institution to the credit of the person's parents,

custodial parent if one parent has custody, guardian, or other adult member of the person's family.

Subd. 4. [DISCHARGE OF LIABILITY.] The payment of a prize by the director discharges the director and the state of all liability for the prize.

Subd. 5. [PAYMENT; UNCLAIMED PRIZES.] A prize in the state lottery must be claimed by the winner within one year of the date of the drawing at which the prize was awarded. Any prize money not claimed at the end of this period must be added by the director to prize pools of subsequent lottery games and the winner of the prize shall have no further claim to the prize. A prize won by a person who purchased the winning ticket in violation of section 13, subdivision 1, or won by a person ineligible to be awarded a prize under subdivision 7 must be treated as an unclaimed prize under this section.

Subd. 6. [INSTALLMENT PAYMENTS.] If the director decides to pay all or part of a prize in the form of installments over a period of years, the director shall provide for the payment of all installments by:

(1) entering into a contract with a financially responsible person or firm or by purchasing an annuity to provide for the payment of the installments; or

(2) establishing and maintaining as a separate and independent fund outside the state treasury a reserve account with sufficient funds for the payment of the installments as they become due.

Subd. 7. [PAYMENTS PROHIBITED.] (a) No prize may be paid to a member of the board, the director or an employee of the division, or a member of their families residing in the same household of the member, director, or employee. No prize may be paid to an officer or employee of a vendor which at the time the game or drawing was being conducted was involved with providing goods or services to the lottery under a major procurement contract.

(b) No prize may be paid for a stolen, altered, or fraudulent ticket.

Subd. 8. [WITHHOLDING OF DELINQUENT STATE TAXES OR CHILD SUPPORT.] The director shall report the name, address, and social security number of each winner of a lottery prize of \$1,000 or more to the department of revenue to determine whether the person that won the prize is delinquent in payment of state taxes and to the department of human services to determine whether the person is delinquent in court-ordered payment of child support. If the person is delinquent in payment of state taxes or court-ordered child support, the director shall withhold the delinquent amount from the

person's prize for remittance to the department of revenue or to the appropriate person. If the winner of a prize is delinquent both in payments of state taxes and court-ordered child support, the amount remitted to the department of revenue or to the appropriate person shall be in proportion to the prize amount as is the amount owed by the winner. At the request of any person winning a lottery prize of \$50,000 or more, the director shall classify all personal data on that person in the director's records as private data.

Sec. 10. [349A.10] [LOTTERY ADVERTISING.]

Subdivision 1. [ODDS; REQUIRED INFORMATION.] The director shall include on each brochure, pamphlet, booklet, or other similar material the director publishes to promote or explain any lottery game, a prominent and clear statement of the chances of winning each prize offered in that lottery game. Each lottery retailer must post prominently at or near the point of ticket sale a notice or notices printed and provided by the director of the odds of winning each prize in each game for which the lottery retailer sells tickets.

Subd. 2. [CONTENT OF ADVERTISING.] (a) Advertising and promotional materials for the lottery adopted or published by the director must be consistent with the dignity of the state and may only:

(1) present factual information on how lottery games are played, prizes offered, where and how tickets may be purchased, and odds on the games advertised;

(2) identify state programs supported by lottery net revenues;

(3) present the lottery as a form of entertainment or recreation; or

(4) state the winning numbers or identity of winners of lottery prizes.

(b) The director may not adopt or publish any advertising for the lottery which:

(1) presents directly or indirectly any lottery game as a potential means of relieving any person's financial or economic difficulties; or

(2) is specifically targeted with the intent to exploit specific groups or economic classes of people.

Subd. 3. [PRIZES; REQUIRED INFORMATION.] The director must include, in any publication or print advertising which refers to a prize which is or may be paid in installments, a statement to the effect that the prize will be or may be paid in installments.

## Sec. 11. [349A.11] [LOTTERY FUNDS.]

Subdivision 1. [STATE LOTTERY FUND.] The director shall establish a state lottery fund outside the state treasury. The fund consists of all money received by the director from the sale of lottery tickets and from the issuance of lottery retailer contracts, and all other money credited or transferred to it by law, except for money set aside and deposited in the lottery prize fund under subdivision 2.

Subd. 2. [DEPOSIT IN PRIZE FUND.] The director shall establish a lottery prize fund outside the state treasury. The fund consists of all money deposited in it under this subdivision and all interest earned thereon. The director shall deposit in the lottery prize fund, from gross receipts from the sale of lottery tickets for games other than games which require on-line computer terminal connections, an amount sufficient to pay lottery prizes from the lottery prize fund according to the following percentages:

(1) for games which require on-line terminal connections, the prizes paid in any fiscal year must equal as nearly as practicable an amount determined by the director which shall be not less than 50 percent nor more than 70 percent of gross revenues to the state lottery fund in that fiscal year;

(2) for games which do not require on-line terminal connections, the prizes paid in any fiscal year must equal as nearly as practicable 70 percent of the gross revenues to the state lottery fund in that fiscal year.

Subd. 3. [LOTTERY OPERATIONS.] (a) The director shall establish a lottery operations fund outside the state treasury. The director shall from time to time transfer from the state lottery fund to the lottery operations fund amounts sufficient to pay the operating costs of the lottery.

(b) The director may not transfer in any fiscal year amounts to the lottery operations fund which when totaled exceed 15 percent of total revenue to the state lottery fund in that year. In computing total amounts transferred to the lottery operations fund under this paragraph the director may disregard amounts transferred to or retained by lottery retailers as sales commissions or other compensation.

Subd. 4. [DEPOSIT OF RECEIPTS.] (a) The director may require lottery retailers to:

(1) deposit in a separate account to the credit of the state lottery fund, in banks designated by the director, all money received by the lottery retailer from the sale of lottery tickets, less money retained as the lottery retailer's commission and for payment of prizes;

(2) file with the director reports of the lottery retailer's receipts and transactions in ticket sales in a form that the director prescribes; and

(3) allow money deposited by the lottery retailer from the sale of lottery tickets to be transferred to the agency through electronic fund transfer.

(b) The director may make arrangements for any person, including a financial institution, to perform functions, activities, or services in connection with the receipt and distribution of lottery revenues.

(c) A lottery retailer who fails to pay any money due to the director within the time prescribed by the director shall pay interest on the amount owed at the rate determined by rule.

Subd. 5. [DEPOSIT OF NET PROCEEDS.] At the end of each month, the director shall determine and pay to the state treasurer the net proceeds of the lottery after transfers to the lottery prize fund and the lottery operations fund. Net proceeds must be determined by deducting from gross receipts to the lottery for that month and interest earned by the lottery:

(1) total prizes paid out in that month;

(2) an amount the director determines to be reasonably required to pay future prize obligations resulting from lottery drawings in that month;

(3) the value of lottery tickets returned or canceled;

(4) an amount sufficient to pay costs incurred for the operation and administration of the lottery;

(5) payments made for the purchase and promotion of lottery games and game-related services; and

(6) payments made to lottery retailers.

Sec. 12. [349A.12] [CONFLICT OF INTEREST.]

(a) The director, a board member, an employee of the division, a member of the immediate family of the director, board member, or employee residing in the same household may not:

(1) purchase a lottery ticket;

(2) have any personal pecuniary interest in any vendor contracting with the state to supply services or gaming equipment or

materials for use in the operation of the lottery, or in any lottery retailer; or

(3) receive any gift, gratuity, or other thing of value, excluding food or beverage, from any lottery vendor or lottery retailer, or person applying to be a retailer or vendor, in excess of \$100 in any calendar year.

(b) The director or an unclassified employee of the division may not, within one year of terminating employment with the division, accept employment with, act as an agent or attorney for, or otherwise represent any person, corporation, or entity that had any major procurement contract or bid for a major procurement contract with the division within a period of two years prior to the termination of their employment.

Sec. 13. [349A.13] [PROHIBITED ACTS.]

Subdivision 1. [PURCHASE BY MINORS.] A person under the age of 18 years may not buy a ticket in the state lottery.

Subd. 2. [SALE TO MINORS.] A lottery retailer may not knowingly sell a ticket in the state lottery to any person under the age of 18 years.

Subd. 3: [PROHIBITED SALES.] (a) A person other than a lottery retailer may not sell a ticket in the state lottery.

(b) A lottery retailer may not sell a ticket for a price other than the price set by the director.

Subd. 4. [FRAUDULENT TICKETS.] A person may not:

(1) counterfeit or alter a state lottery ticket with intent to make a fraudulent claim for payment;

(2) knowingly present a counterfeit or altered state lottery ticket for payment;

(3) knowingly transfer a counterfeit or altered state lottery ticket to another person to present for payment; or

(4) conspire, aid, abet, or agree to aid another person or persons to claim a lottery prize by means of fraud, deceit, or misrepresentation.

Subd. 5. [FALSE STATEMENTS.] A person may not:

(1) make a false or misleading statement in a book or record required to be submitted under this chapter;

(2) willfully refuse to produce for inspection when required under this chapter a book, record, or document required to be maintained; or

(3) make a false or misleading statement in information submitted to the director in a lottery retailer's application or a document related to a bid.

Subd. 6. [ILLEGAL ACCESS.] (a) A person may not obtain access to a computer data base maintained by the director without the specific authorization of the director.

(b) A person may not obtain access to a computer data base maintained by a person under contract with the director to maintain the data base without the specific authorization of the director and the person maintaining the data base.

(c) A person may not attempt to violate paragraph (a) or (b), or conspire with, aid, abet, or agree to aid another person to violate or attempt to violate paragraph (a) or (b).

Subd. 7. [LOTTERY RETAILERS AND VENDORS.] A person who is a lottery retailer, or is applying to be a lottery retailer, a person applying for a contract with the director, or a person under contract with the director to supply lottery games, equipment, or services may not pay, give, or make any economic opportunity, gift, loan, gratuity, special discount, favor, hospitality, or service, excluding food or beverage, having an aggregate value of over \$100 in any calendar year to the commissioner, the director, board member, employee of the lottery division, employee of the department of gaming as security or enforcement personnel, or to a member of the immediate family residing in the same household as that person.

Subd. 8. [VIOLATION OF RULE.] A person may not violate a rule of the director adopted under this chapter.

Subd. 9. [EXCEPTIONS.] Nothing in this chapter prohibits giving a state lottery ticket as a gift, or buying a state lottery ticket as a gift for a person under the age of 18.

Subd. 10. [VIOLATIONS.] Violation of subdivision 1 or 2 is a misdemeanor. Violation of subdivision 3, 7, or 8 is a gross misdemeanor. Violation of subdivision 4, 5, or 6 is a felony.

#### Sec. 14. [349A.14] [RESTRICTIONS.]

Nothing in this chapter:

(1) authorizes the director to conduct a lottery game or contest the

winner or winners of which are determined by the result of a sporting event other than a horse race conducted under chapter 240;

(2) authorizes the director to install or operate a lottery device operated by coin or currency which when operated determines the winner of a game; and

(3) authorizes the director to sell pull-tabs as defined under section 349.12, subdivision 10.

Sec. 15. [349A.15] [AUDIT.]

The director shall contract for an annual certified audit of all accounts and transactions of the lottery. The audit must be conducted by a certified public accountant in accordance with generally accepted accounting standards. The director shall file a copy of each audit report of the lottery with the governor and the legislature.

Sec. 16. [349A.16] [SECURITY AUDIT.]

The director shall annually request the director of inspection and enforcement to conduct a security audit of the division of the lottery. The audit must consist of a review and evaluation of the effectiveness of all procedures, requirements, and personnel assignments which relate to the security and integrity of the lottery, and recommendation for changes to improve security and integrity. The director of inspection and enforcement shall report to the director and the commissioner on the results of the security audit. The director shall report to the commissioner within 90 days of receiving the results of the security audit on steps the director has taken to implement the recommendations in the security audit.

Sec. 17. [EFFECTIVE DATE.]

Sections 1 to 16 are effective the day following final enactment.

## ARTICLE 4

### DEPARTMENT OF GAMING

Section 1. Minnesota Statutes 1988, section 15.06, subdivision 1, is amended to read:

Subdivision 1. [APPLICABILITY.] This section applies to the following departments or agencies: the departments of administration, agriculture, commerce, corrections, jobs and training, education, employee relations, trade and economic development, finance, gaming, health, human rights, labor and industry, natural re-

sources, public safety, public service, human services, revenue, transportation, and veterans affairs; the housing finance, state planning, and pollution control agencies; the office of commissioner of iron range resources and rehabilitation; the bureau of mediation services; and their successor departments and agencies. The heads of the foregoing departments or agencies are "commissioners."

Sec. 2. [349B.01] [DEPARTMENT OF GAMING CREATED; COMMISSIONER.]

Subdivision 1. [DEPARTMENT CREATED.] A department of gaming is created under the supervision of a commissioner of gaming, which office is established. The commissioner of gaming is appointed by the governor with the advise and consent of the senate. The commissioner shall create within the department divisions of pari-mutuel racing, charitable gambling, state lottery, and inspection and enforcement, and shall appoint a director of each division.

Subd. 2. [DUTIES OF COMMISSIONER.] The duties of the commissioner are:

- (1) to supervise the division of inspection and enforcement;
- (2) to sit as a voting member of the Minnesota racing commission, the charitable gambling control board, and the state lottery board;
- (3) to study the extent and status of legal and illegal gambling in Minnesota, and social, economic, and legal problems which may result from legal and illegal gambling;
- (4) to ensure that all boards and commissions the commissioner is a member of take and maintain complete and accurate records of their proceedings; and
- (5) to report annually to the governor and legislature on the activities of the department including studies under clause (3), and recommended changes in laws dealing with legal and illegal gambling.

Subd. 3. [EMPLOYEES.] The commissioner shall appoint and assign duties to employees as the commissioner deems necessary to carry out the duties specified in subdivision 2.

Subd. 4. [SUBPOENA POWER.] The commissioner has the same authority to issue subpoenas as is granted to the Minnesota racing commission, the directors of each division of the department, and the commissioner of revenue, under chapters 240, 349, 349A, and 349C.

Sec. 3. [349B.02] [COMMISSIONER; CONFLICT OF INTEREST.]

No person may be appointed or serve as commissioner of gaming who has any personal pecuniary interest in any corporation, association, or partnership which:

- (1) has been issued a lottery retailer contract;
- (2) is a vendor of goods or services to the state lottery or to a holder of a class A or B license issued by the Minnesota racing commission;
- (3) holds a license issued by the Minnesota racing commission;
- (4) holds a distributor, manufacturer, or bingo hall license issued by the charitable gambling control board.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective the day following final enactment.

## ARTICLE 5

### DIVISION OF INSPECTION AND ENFORCEMENT

Section 1. [349C.01] [DEFINITIONS.]

Subdivision 1. [DEFINITIONS.] For purposes of this chapter the following terms have the meanings given them.

Subd. 2. [DIVISION.] "Division" is the division of inspection and enforcement in the department of gaming.

Subd. 3. [DEPARTMENT.] "Department" is the department of gaming.

Subd. 4. [DIRECTOR.] "Director" is the director of the division of inspection and enforcement.

Subd. 5. [COMMISSIONER.] "Commissioner" is the commissioner of gaming.

Sec. 2. [349C.02] [DIVISION OF INSPECTION AND ENFORCEMENT.]

Subdivision 1. [DIVISION ESTABLISHED.] The commissioner shall establish within the department a division of inspection and enforcement. The commissioner shall appoint to control the division a director who must be qualified by a background in law or law enforcement to act as director. The director serves at the pleasure of the commissioner in the unclassified service.

Subd. 2. [EMPLOYEES.] The director shall employ such other persons as the director deems necessary to carry out the powers and duties assigned under this chapter. All professional employees of the division as defined in section 179A.03, subdivision 13, are in the unclassified service. The director shall request the bureau of criminal apprehension to perform background checks on all persons seeking employment with the division.

Sec. 3. [349C.03] [DUTIES OF DIRECTOR.]

Subdivision 1. [DUTIES.] The director has the duties enumerated in this section.

Subd. 2. [LOTTERY INVESTIGATIONS AND AUDITS.] (a) The director shall, when so requested by the director of the state lottery, conduct investigations of lottery retailers of the division of the state lottery, applicants for lottery retailer contracts, suppliers of goods or services to the division of the state lottery, and persons bidding on contracts for goods or services to the division of the state lottery.

(b) The director shall, when so requested by the director of the state lottery, conduct inspections of the premises of any lottery retailer or the activities of any lottery retailer to determine the retailer's compliance with applicable laws and rules and orders of the division of the state lottery.

(c) The director shall, when so requested by the director of the state lottery, conduct an audit of any lottery retailer's accounts, books, records, or other documents the agent is required to keep.

(d) The director shall conduct an annual security audit of the division of the state lottery, as provided in article 3, section 16.

Subd. 3. [CHARITABLE GAMBLING INVESTIGATIONS AND AUDITS.] The director shall, when requested by the charitable gambling control board:

(1) conduct background investigations of applicants for licensing as a manufacturer or distributor of gambling equipment or as a bingo hall;

(2) inspect the premises of board licensees to determine compliance with law and with the rules of the board; and

(3) conduct an audit of the accounts, books, records, or other documents required to be kept, of any board licensee.

The director shall receive and keep a record of all reports and invoices required to be submitted to the director under chapter 349.

Subd. 4. [HORSE RACING; BACKGROUND CHECKS.] The director shall, when requested by the Minnesota racing commission, investigate applicants for licenses the commission issues, and shall report the results of the investigation to the commission.

Subd. 5. [OTHER GAMBLING.] The director shall cooperate with all state and local agencies in the detection and apprehension of unlawful gambling.

Sec. 4. [349C.04] [REGISTRATION OF GAMBLING EQUIPMENT.]

Subdivision 1. [REGISTRATION; STAMPS.] The director shall register all gambling equipment, as defined in section 349.12, subdivision 15, and issue registration stamps for all gambling equipment. Each stamp must bear a registration number assigned by the director. The director may refund to a licensed distributor the price of any stamp which is unused or which is defective or canceled by the distributor.

Subd. 2. [FEES.] The director shall charge a fee of five cents for each registration stamp sold, and shall deposit the proceeds from the fee in the general fund.

Sec. 5. [349C.05] [POWERS OF DIRECTOR.]

Subdivision 1. [INSPECTIONS; ACCESS.] In conducting any inspection authorized under this chapter or under chapter 349, the director has free and open access to all parts of the premises being inspected, and may conduct such an inspection during normal business hours without notice and without a search warrant.

Subd. 2. [INSPECTIONS AND AUDITS; ITEMS REQUIRED TO BE PRODUCED.] In conducting any audit or inspection authorized under this chapter or under chapter 349, the director may inspect any book, record, or other document the licensee is required to keep.

Subd. 3. [SUBPOENA POWER.] The director may issue subpoenas to compel the attendance of witnesses and the production of documents, books, records, and other evidence relating to any investigation or audit the director is authorized to conduct.

Subd. 4. [ACCESS TO CRIMINAL HISTORY.] The director has access to all criminal history data compiled by the bureau of criminal apprehension on any person on whom the director is authorized or requested to conduct a background check or investigation.

Subd. 5. [GAMING ENFORCEMENT OFFICERS.] (a) The director shall designate from among employees of the division as many

persons as the director deems necessary as gaming enforcement officers. In addition to powers specified in this chapter for the director and other employees of the division, gaming enforcement officers have the authority to make an arrest upon probable cause without a warrant for a violation of any provision of sections 349.11 to 349.23 or 609.75 to 609.76, or of any provision of chapter 240 or 349A for the enforcement of which the director's assistance has been requested.

(b) An employee of the division, other than the director, who is designated as a gaming enforcement officer must, within 12 months of the date of designation, complete the training and examination requirements mandated by the peace officer standards and training board and be licensed by the board.

Sec. 6. [349C.06] [POWERS OF OTHER OFFICIALS.]

The directors of the divisions of pari-mutuel racing, the state lottery and charitable gambling and their designated employees and agents have free and open access to all parts of the licensed premises of any licensee under their respective jurisdiction and may enter those licensed premises at any reasonable time and without a search warrant in order to determine the licensee's compliance with all applicable laws, rules, and orders. Nothing in this chapter limits the right of those directors and their designated employees and agents to such access.

Sec. 7. [349C.07] [OTHER POWERS AND DUTIES.]

Nothing in this chapter limits the authority or responsibility of the director to exercise other powers or perform other duties specified in chapter 240, 349, or 349A.

Sec. 8. [EFFECTIVE DATE.]

Sections 1 to 7 are effective the day following final enactment, except that provisions which have the effect of transferring to the director of inspection and enforcement powers or duties relating to charitable gambling control are effective July 1, 1989.

ARTICLE 6  
MISCELLANEOUS

Section 1. Minnesota Statutes 1988, section 10A.01, subdivision 18, is amended to read:

Subd. 18. "Public official" means any:

- (a) member of the legislature;
- (b) constitutional officer in the executive branch and the officer's chief administrative deputy;
- (c) member, chief administrative officer or deputy chief administrative officer of a state board or commission which has at least one of the following powers: (i) the power to adopt, amend or repeal rules, or (ii) the power to adjudicate contested cases or appeals;
- (d) commissioner, deputy commissioner or assistant commissioner of any state department as designated pursuant to section 15.01;
- (e) individual employed in the executive branch who is authorized to adopt, amend or repeal rules or adjudicate contested cases;
- (f) executive director of the state board of investment;
- (g) executive director of the Indian affairs intertribal board;
- (h) commissioner of the iron range resources and rehabilitation board;
- (i) director of mediation services;
- (j) deputy of any official listed in clauses (e) to (i);
- (k) judge of the workers' compensation court of appeals;
- (l) administrative law judge or compensation judge in the state office of administrative hearings or hearing examiner in the department of jobs and training;
- (m) solicitor general or deputy, assistant or special assistant attorney general;
- (n) individual employed by the legislature as secretary of the senate, legislative auditor, chief clerk of the house, revisor of statutes, or researcher or attorney in the office of senate research, senate counsel, or house research; or
- (o) member or chief administrative officer of the metropolitan council, regional transit board, metropolitan transit commission, metropolitan waste control commission, metropolitan parks and open spaces commission, metropolitan airports commission or metropolitan sports facilities commission; or
- (p) the commissioner of gaming and director of each division in the department of gaming.

Sec. 2. Minnesota Statutes 1988, section 10A.09, subdivision 1, is amended to read:

Subdivision 1. [TIME FOR FILING.] Except for a candidate for elective office in the judicial branch, an individual shall file a statement of economic interest with the board:

- (a) Within 60 days of accepting employment as a public official;
- (b) Within 14 days after filing an affidavit of candidacy or petition to appear on the ballot for an elective public office;
- (c) In the case of a public official requiring the advice and consent of the senate, within 14 days after undertaking the duties of office; or
- (d) In the case of members of the Minnesota racing commission, ~~and its executive secretary, the director of the division of pari-mutuel racing of the department of gaming,~~ chief of security, medical officer, inspector of pari-mutuels and stewards employed or approved by the commission or persons who fulfill those duties under contract, within 60 days of accepting or assuming duties.

Sec. 3. Minnesota Statutes 1988, section 15A.081, subdivision 1, is amended to read:

Subdivision 1. [SALARY RANGES.] The governor shall set the salary rate within the ranges listed below for positions specified in this subdivision, upon approval of the legislative commission on employee relations and the legislature as provided by section 43A.18, subdivisions 2 and 5:

Salary Range  
Effective  
July 1, 1987

\$57,500-\$78,500

- Commissioner of finance;
- Commissioner of education;
- Commissioner of transportation;
- Commissioner of human services;
- Commissioner of revenue;
- Executive director, state board of

investment;

Commissioner of gaming;

Director, state lottery division, department of gaming;

Director, division of inspection and enforcement, department of gaming;

\$50,000-\$67,500

Commissioner of administration;

Commissioner of agriculture;

Commissioner of commerce;

Commissioner of corrections;

Commissioner of jobs and training;

Commissioner of employee relations;

Commissioner of health;

Commissioner of labor and industry;

Commissioner of natural resources;

Commissioner of public safety;

Commissioner of trade and economic development;

Chair, waste management board;

Chief administrative law judge; office of  
administrative hearings;

Commissioner, pollution control agency;

Commissioner, state planning agency;

Executive director, housing finance  
agency;

Executive director, public employees

retirement association;

Executive director, teacher's

retirement association;

Executive director, state retirement

system;

Chair, metropolitan council;

Chair, regional transit board;

\$42,500-\$60,000

Commissioner of human rights;

Commissioner, department of public service;

Commissioner of veterans' affairs;

Commissioner, bureau of mediation services;

Commissioner, public utilities commission;

Member, transportation regulation board;

Member, charitable gambling control board;

Ombudsman for corrections;

Ombudsman for mental health and retardation.

Sec. 4. Minnesota Statutes 1988, section 290.01, subdivision 19b, is amended to read:

Subd. 19b. [SUBTRACTIONS FROM FEDERAL TAXABLE INCOME.] For individuals, estates, and trusts, there shall be subtracted from federal taxable income:

(1) interest income on obligations of any authority, commission, or instrumentality of the United States to the extent includable in taxable income for federal income tax purposes but exempt from state income tax under the laws of the United States;

(2) if included in federal taxable income, the amount of any overpayment of income tax to Minnesota or to any other state, for

any previous taxable year, whether the amount is received as a refund or as a credit to another taxable year's income tax liability;

(3) the amount paid to others not to exceed \$650 for each dependent in grades kindergarten to 6 and \$1,000 for each dependent in grades 7 to 12, for tuition, textbooks, and transportation of each dependent in attending an elementary or secondary school situated in Minnesota, North Dakota, South Dakota, Iowa, or Wisconsin, wherein a resident of this state may legally fulfill the state's compulsory attendance laws, which is not operated for profit, and which adheres to the provisions of the Civil Rights Act of 1964 and chapter 363. As used in this clause, "textbooks" includes books and other instructional materials and equipment used in elementary and secondary schools in teaching only those subjects legally and commonly taught in public elementary and secondary schools in this state. "Textbooks" does not include instructional books and materials used in the teaching of religious tenets, doctrines, or worship, the purpose of which is to instill such tenets, doctrines, or worship, nor does it include books or materials for, or transportation to, extracurricular activities including sporting events, musical or dramatic events, speech activities, driver's education, or similar programs. In order to qualify for the subtraction under this clause the taxpayer must elect to itemize deductions under section 63(e) of the Internal Revenue Code of 1986, as amended through December 31, 1987;

(4) to the extent included in federal taxable income, distributions from a qualified governmental pension plan, an individual retirement account, simplified employee pension, or qualified plan covering a self-employed person that represent a return of contributions that were included in Minnesota gross income in the taxable year for which the contributions were made but were deducted or were not included in the computation of federal adjusted gross income. The distribution shall be allocated first to return of contributions until the contributions included in Minnesota gross income have been exhausted. This subtraction applies only to contributions made in a taxable year prior to 1985;

(5) income as provided under section 290.0802; and

(6) the amount of unrecovered accelerated cost recovery system deductions allowed under subdivision 19g; and

(7) prizes won in the Minnesota state lottery.

Sec. 5. Minnesota Statutes 1988, section 297A.25, is amended by adding a subdivision to read:

Subd. 42. [STATE LOTTERY TICKETS.] The gross receipts from the sale of tickets for the state lottery under chapter 349A are exempt.

Sec. 6. Minnesota Statutes 1988, section 340A.410, subdivision 5, is amended to read:

Subd. 5. [GAMBLING PROHIBITED.] (a) No retail establishment licensed to sell alcoholic beverages may keep, possess, or operate, or permit the keeping, possession, or operation on the licensed premises of dice or any gambling device as defined in section 349.30, or permit gambling therein except as provided in this subdivision.

(b) Gambling equipment may be kept or operated and raffles conducted on licensed premises and adjoining rooms when the use of the gambling equipment is authorized under chapter 349.

(c) Lottery tickets may be purchased and sold within the licensed premises as authorized by the director of the lottery under chapter 349A.

Sec. 7. Minnesota Statutes 1988, section 541.20, is amended to read:

#### 541.20 [RECOVERY OF MONEY LOST.]

Every person who, by playing at cards, dice, or other game, or by betting on the hands or sides of such as are gambling, shall lose to any person so playing or betting any sum of money or any goods, and pays or delivers the same, or any part thereof, to the winner, may sue for and recover such money by a civil action, before any court of competent jurisdiction. For purposes of this section, gambling shall not include pari-mutuel wagering conducted under a license issued pursuant to chapter 240, purchase or sale of tickets in the state lottery, or gambling authorized under chapter chapters 349A and 349.

Sec. 8. Minnesota Statutes 1988, section 541.21, is amended to read:

#### 541.21 [COMMITMENTS FOR GAMBLING DEBT VOID.]

Every note, bill, bond, mortgage, or other security or conveyance in which the whole or any part of the consideration shall be for any money or goods won by gambling or playing at cards, dice, or any other game whatever, or by betting on the sides or hands of any person gambling, or for reimbursing or repaying any money knowingly lent or advanced at the time and place of such gambling or betting, or lent and advanced for any gambling or betting to any persons so gambling or betting, shall be void and of no effect as between the parties to the same, and as to all persons except such as hold or claim under them in good faith, without notice of the illegality of the consideration of such contract or conveyance. The provisions of this section shall not apply to pari-mutuel wagering

conducted under a license issued pursuant to ~~chapter~~ chapters 240 and 349 or purchase of tickets in the state lottery under chapter 349A.

Sec. 9. Minnesota Statutes 1988, section 609.75, subdivision 3, is amended to read:

Subd. 3. [WHAT ARE NOT BETS.] The following are not bets:

(1) A contract to insure, indemnify, guarantee or otherwise compensate another for a harm or loss sustained, even though the loss depends upon chance.

(2) A contract for the purchase or sale at a future date of securities or other commodities.

(3) Offers of purses, prizes or premiums to the actual contestants in any bona fide contest for the determination of skill, speed, strength, endurance, or quality or to the bona fide owners of animals or other property entered in such a contest.

(4) The game of bingo when conducted in compliance with sections 349.11 to 349.23.

(5) A private social bet not part of or incidental to organized, commercialized, or systematic gambling.

(6) The operation of equipment or the conduct of a raffle under sections 349.11 to 349.22, by an organization licensed by the charitable gambling control board or an organization exempt from licensing under section 349.214.

(7) Pari-mutuel betting on horse racing when the betting is conducted under chapter 240.

(8) The purchase and sale of state lottery tickets under chapter 349A.

Sec. 10. Minnesota Statutes 1988, section 609.761, is amended to read:

609.761 [OPERATIONS PERMITTED.]

Subdivision 1. [LAWFUL GAMBLING.] Notwithstanding sections 609.755 and 609.76, an organization may conduct lawful gambling as defined in section 349.12, if authorized under chapter 349, and a person may manufacture, sell, or offer for sale a gambling device to an organization authorized under chapter 349 to conduct lawful gambling, and pari-mutuel betting on horse racing may be conducted under chapter 240.

Subd. 2. [STATE LOTTERY.] Sections 609.755 and 609.76 do not prohibit the operation of the state lottery or the sale, possession, or purchase of tickets for the state lottery under chapter 349A.

Sec. 11. Minnesota Statutes 1988, section 626.84, subdivision 1, is amended to read:

Subdivision 1. [DEFINITIONS.] For purposes of sections 626.84 to 626.863, the following terms have the meanings given them:

(a) "Board" means the board of peace officer standards and training.

(b) "Director" means the executive director of the board.

(c) "Peace officer" means an employee or an elected or appointed official of a political subdivision or law enforcement agency who is licensed by the board, charged with the prevention and detection of crime and the enforcement of the general criminal laws of the state and who has the full power of arrest, and shall also include the Minnesota state patrol and, state conservation officers, and gaming enforcement officers.

(d) "Constable" has the meaning assigned to it in section 367.40.

(e) "Deputy constable" has the meaning assigned to it in section 367.40.

(f) "Part-time peace officer" means an individual licensed by the board whose services are utilized by law enforcement agencies no more than an average of 20 hours per week, not including time spent on call when no call to active duty is received, calculated on an annual basis, who has either full powers of arrest or authorization to carry a firearm while on active duty. The term shall apply even though the individual receives no compensation for time spent on active duty, and shall apply irrespective of the title conferred upon the individual by any law enforcement agency. The limitation on the average number of hours in which the services of a part-time peace officer may be utilized shall not apply to a part-time peace officer who has formally notified the board pursuant to rules adopted by the board of the part-time peace officer's intention to pursue the specialized training for part-time peace officers who desire to become peace officers pursuant to sections 626.843, subdivision 1, clause (g) and 626.845, subdivision 1, clause (g).

(g) "Reserve officer" means an individual whose services are utilized by a law enforcement agency to provide supplementary assistance at special events, traffic or crowd control, and administrative or clerical assistance. A reserve officer's duties do not include enforcement of the general criminal laws of the state, and the officer

does not have full powers of arrest or authorization to carry a firearm on duty.

(h) "Law enforcement agency" means a unit of state or local government that is authorized by law to grant full powers of arrest and to charge a person with the duties of preventing and detecting crime and enforcing the general criminal laws of the state.

Sec. 12. [EFFECTIVE DATE.]

Sections 1 to 11 are effective the day following final enactment.

ARTICLE 7

APPROPRIATIONS

Section 1. [APPROPRIATIONS.]

Subdivision 1. [DEPARTMENT OF GAMING.] (a) \$ . . . . . is appropriated from the general fund to the commissioner of gaming for the purposes of carrying out article 4. Of this amount \$ . . . . . is for the fiscal year ending June 30, 1990, and \$ . . . . . is for the fiscal year ending June 30, 1991.

(b) The authorized complement of the department, apart from the complement authorized for the divisions of state lottery, charitable gambling control, pari-mutuel racing, and inspection and enforcement, is . . . . .

Subd. 2. [LOTTERY.] \$ . . . . . is appropriated from the general fund to the director of the division of state lottery. This appropriation is available until expended. The director shall reimburse the general fund from the state lottery fund the amount appropriated by this subdivision not later than June 30, 1990.

Subd. 3. [CHARITABLE GAMBLING.] (a) \$ . . . . . is appropriated from the general fund to the commissioner of gaming for the purposes of carrying out those powers and duties assigned to the division of charitable gambling control under article 2. Of this amount \$ . . . . . is for the fiscal year ending June 30, 1990, and \$ . . . . . is for the fiscal year ending June 30, 1991.

(b) The approved complement of the division is . . . . . Of these positions . . . . . are transferred from the department of revenue.

Subd. 4. [PARI-MUTUEL RACING.] (a) \$ . . . . . is appropriated from the general fund to the commissioner of gaming for the

purposes of carrying out the duties assigned to the division of pari-mutuel racing under article 1. Of this amount \$ . . . . . is for the fiscal year ending June 30, 1990, and \$ . . . . . is for the fiscal year ending June 30, 1991.

(b) The approved complement of the division is . . . . .

Subd. 5. [INSPECTION AND ENFORCEMENT.] (a) \$ . . . . . is appropriated from the general fund to the commissioner of gaming for the purposes of carrying out the duties assigned to the division of inspection and enforcement under article 5. Of this amount \$ . . . . . is for the fiscal year ending June 30, 1990, and \$ . . . . . is for the fiscal year ending June 30, 1991.

(b) The approved complement of the division is . . . . .

Sec. 2. [EFFECTIVE DATE.]

Section 1, subdivisions 1, 2, and 5, are effective the day following final enactment. An appropriation in those subdivisions for the fiscal year ending June 30, 1990, may be expended before July 1, 1989. Section 1, subdivisions 3 and 4, are effective July 1, 1989."

Delete the title and insert:

"A bill for an act relating to gambling; creating a department of gaming; authorizing a state lottery to be conducted by a division of state lottery within the department of gaming; creating a division of charitable gambling control and transferring certain powers of the charitable gambling control board to that division and to the department of revenue; creating a division of pari-mutuel racing; creating a division of inspection and enforcement and providing for its duties; prescribing penalties; appropriating money; amending Minnesota Statutes 1988, sections 10A.01, subdivision 18; 10A.09, subdivision 1; 15.06, subdivision 1; 15A.081, subdivision 1; 240.01, by adding subdivisions; 240.02, subdivisions 1 and 2; 240.04, subdivisions 1, 3, and 7; 240.06, subdivisions 3 and 8; 240.07, subdivision 2; 240.08, subdivision 3; 240.21; 240.28; 290.01, subdivision 19b; 297A.25, by adding a subdivision; 340A.410, subdivision 5; 349.12, subdivisions 11, 17, and 20, and by adding subdivisions; 349.151, subdivisions 1, 2, 4, and 5; 349.16; subdivision 4; 349.161, subdivision 4; 349.162, subdivisions 1, 2, 4, and 5; 349.163; 349.18, subdivision 1; 349.19, subdivisions 5 and 6; 349.212; 349.2121, subdivisions 2, 3, 4, 4a, 6, 7, 8, and 10; 349.2122; 349.2125, subdivisions 1, 2, and 3; 349.2127, subdivision 2; 349.214, subdivision 2; 349.22, subdivisions 1 and 3; 541.20; 541.21; 609.75; 609.761; and 626.85, subdivision 1; proposing coding for new law as Minnesota Statutes, chapters 349A; 349B; and 349C; proposing coding for new law in Minnesota Statutes, chapters 240 and 349; repealing Minnesota Statutes 1988, sections 240.02, subdivision 7; 349.151,

subdivisions 3 and 5; 349.161, subdivision 7; 349.164, subdivision 5; 349.171; and 349.22, subdivision 4.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 128, A bill for an act relating to local government; delaying the effective date of the historical society levy for Chisago, Kanabec, Pine, and Carlton counties; amending Laws 1988, chapter 640, section 4.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Otis from the Committee on Economic Development to which was referred:

H. F. No. 189, A bill for an act relating to education; appropriating money for the Minnesota AeroSpace Exploratorium.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [APPROPRIATION; MINNESOTA AEROSPACE EXPLORATORIUM FEASIBILITY STUDY.]

§ . . . . . in fiscal year 1990 is appropriated from the general fund to the commissioner of administration for a feasibility study for a Minnesota AeroSpace Exploratorium in Willmar, Minnesota. The appropriation is available until June 30, 1991.

The purpose of the Minnesota AeroSpace Exploratorium is to provide a learning center containing exhibits and providing programs about Minnesota’s involvement in America’s space endeavors.”

Delete the title and insert:

“A bill for an act relating to appropriations; appropriating money for the Minnesota AeroSpace Exploratorium.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Long from the Committee on Taxes to which was referred:

H. F. No. 243, A bill for an act relating to the department of revenue; recodifying information and disclosure provisions to increase uniformity of treatment and comply with the data privacy act; amending Minnesota Statutes 1988, sections 60A.17, subdivision 20; 82.27, subdivision 7; 147.091, subdivision 7; 148.10, subdivision 5; 148B.06, subdivision 3; 150A.08, subdivision 9; 171.31; 176.186; 176.231, subdivision 9; 256.978; 270.052; 270.064; 270.66, subdivision 3; 270.72, subdivision 4; 270.73, subdivision 1; 270A.11; 290.081; 290.174; 290.371, subdivision 5; 290.50, subdivision 6; 290.523, subdivision 1; 290.91; 290.92, subdivisions 5a, 17, and 26; 290A.112, subdivision 1; 297A.07; 326.20, subdivision 4; and 469.173, subdivision 5; proposing coding for new law as Minnesota Statutes, chapter 270B; repealing Minnesota Statutes 1988, sections 13.70; 290.05, subdivision 7; 290.61; 290A.17; 291.48; and 297A.43.

Reported the same back with the following amendments:

Page 7, delete lines 24 and 25 and insert:

"Subd. 8. [ACCESS TO DATA; COSTS.] Section 13.03, subdivision 3, applies to requests for access to data under this section."

With the recommendation that when so amended the bill pass.

The report was adopted.

Long from the Committee on Taxes to which was referred:

H. F. No. 266, A bill for an act relating to taxation; making technical corrections and clarifications and administrative changes to premium taxes, cigarette taxes, sales taxes, motor vehicle excise taxes, liquor taxes, marijuana and controlled substances taxes, lodging taxes, and the metropolitan solid waste landfill fee; providing for unmarked vehicles for use by the department of revenue; providing for use of radio equipment in the vehicles; providing for sales of unstamped tobacco products and liquor to Indian tribes; providing for cancellation of sales tax permits; exempting liquor used in law enforcement training; repealing obsolete or unnecessary terms or provisions; repealing express company, freight line company, and sleeping car company gross earnings taxes; repealing the Minnesota unfair cigarette sales act; amending Minnesota Statutes 1988, sections 16B.54, subdivision 2; 41A.09, subdivision 3; 69.54;

168.011, by adding a subdivision; 168.012, subdivision 1, and by adding a subdivision; 270.06; 297.04, subdivision 9; 297.041, subdivisions 1, 2, and 4; 297.06, subdivision 3; 297A.06; 297A.17; 297A.20; 297A.21, subdivision 4; 297A.25, subdivisions 11 and 16; 297B.01, subdivision 5; 297B.02, subdivision 1; 297C.02, subdivision 4; 297C.07; 299C.37, subdivision 1; 297D.13, by adding a subdivision; 469.190, subdivision 1; 473.843, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 297, 297A, 297C, and 297D; repealing Minnesota Statutes 1988, sections 295.01, subdivisions 4, 5, 6, 7, and 8; 295.15; 295.21; 295.23; 295.24; 295.25; 295.27; 295.29; 295.30; 295.31; 297A.19; 297A.253; 325D.30; 325D.31; 325D.32; 325D.33; 325D.34; 325D.35; 325D.36; 325D.37; 325D.38; 325D.39; 325D.40; 325D.42; and 477A.018.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 16B.54, subdivision 2, is amended to read:

Subd. 2. [VEHICLES.] (a) [ACQUISITION FROM AGENCY; APPROPRIATION.] The commissioner may direct an agency to make a transfer of a passenger motor vehicle or truck presently assigned to it. The transfer must be made to the commissioner for use in the central motor pool. The commissioner shall reimburse an agency whose motor vehicles have been paid for with funds dedicated by the constitution for a special purpose and which are assigned to the central motor pool. The amount of reimbursement for a motor vehicle is its average wholesale price as determined from the midwest edition of the national automobile dealers association official used car guide.

(b) [PURCHASE.] To the extent that funds are available for the purpose, the commissioner may purchase or otherwise acquire additional passenger motor vehicles and trucks necessary for the central motor pool. The title to all motor vehicles assigned to or purchased or acquired for the central motor pool is in the name of the department of administration.

(c) [TRANSFER AT AGENCY REQUEST.] On the request of an agency, the commissioner may transfer to the central motor pool any passenger motor vehicle or truck for the purpose of disposing of it. The department or agency transferring the vehicle or truck shall be paid for it from the motor pool revolving account established by this section in an amount equal to two-thirds of the average wholesale price of the vehicle or truck as determined from the midwest edition of the National Automobile Dealers Association official used car guide.

(d) [VEHICLES; MARKING.] The commissioner shall provide for

the uniform marking of all motor vehicles. Motor vehicle colors must be selected from the regular color chart provided by the manufacturer each year. The commissioner may further provide by rule for the use of motor vehicles without uniform coloring or marking by the governor, the lieutenant governor, the division of criminal apprehension, arson investigators of the division of fire marshal in the department of public safety, financial institutions division of the department of commerce, the department of revenue, and the office of the attorney general.

Sec. 2. Minnesota Statutes 1988, section 41A.09, subdivision 3, is amended to read:

Subd. 3. [PAYMENTS FROM FUND.] The commissioner of revenue shall make cash payments from the development fund to producers of ethanol or agricultural grade alcohol, ~~for use as a motor fuel,~~ located in the state. The amount of the payment for each producer's annual production shall be as follows:

(a) For each gallon of ethanol produced:

(1) For the period beginning July 1, 1986, and ending June 30, 1987, 15 cents per gallon;

(2) For the period beginning July 1, 1987, and ending June 30, 2000, 20 cents per gallon.

(b) For each gallon produced of agricultural grade alcohol of a purity of at least 50 percent but not more than 90 percent and designed to be used in conjunction with diesel fuel in an engine's internal combustion process, for the period beginning July 1, 1987, and ending June 30, 2000, 11 cents per gallon.

The total payments from the fund to all producers may not exceed \$200,000 during the period beginning July 1, 1986, and ending June 30, 1987, and may not exceed \$10,000,000 in any fiscal year during the period beginning July 1, 1987, and ending June 30, 2000. Total payments to any producer from the fund in any fiscal year may not exceed \$3,000,000.

By the last day of October, January, April, and July, each producer shall file a claim for payment for production during the preceding three calendar months. The volume of production must be verified by a certified financial audit performed by an independent certified public accountant using generally accepted accounting procedures.

Payments shall be made November 15, February 15, May 15, and August 15.

Sec. 3. Minnesota Statutes 1988, section 69.011, subdivision 2, is amended to read:

Subd. 2. [QUALIFICATION FOR FIRE OR POLICE STATE AID.]

(a) In order to qualify to receive fire state aid, on or before July 4 March 15, annually, in conjunction with the financial report required pursuant to section 69.051, the clerk of each municipality having a duly organized fire department as provided in subdivision 4, or the secretary of each independent nonprofit firefighting corporation having a subsidiary incorporated firefighters' relief association whichever is applicable, and the fire chief, shall jointly certify the existence of the municipal fire department or of the independent nonprofit firefighting corporation, whichever is applicable, which meets the minimum qualification requirements set forth in this subdivision, and the fire personnel and equipment of the municipal fire department or the independent nonprofit firefighting corporation as of the preceding December 31. Certification shall be made to the commissioner on a form prescribed by the commissioner and shall include any other facts the commissioner may require. The certification shall be made to the commissioner in duplicate. Each copy of the certificate shall be duly executed and deemed an original. The commissioner shall forward one copy to the auditor of the county wherein the fire department is located and retain one copy.

(b) On or before July 4 March 15 annually the clerk of each municipality having a duly organized police department and having a duly incorporated relief association shall certify that fact to the county auditor of the county where the police department is located and to the commissioner on a form prescribed by the commissioner together with the other facts the commissioner or auditor may require.

On or before July 4 March 15 annually, the clerk of each municipality and the auditor of each county employing one or more peace officers as defined in subdivision 1, clause (h), shall certify the number of such peace officers to the commissioner on forms prescribed by the commissioner. Credit for officers employed less than a full year shall be apportioned. Each full month of employment of a qualifying officer during the calendar year shall entitle the employing municipality or county to credit for 1/12 of the payment for employment of a peace officer for the entire year. For purposes of sections 69.011 to 69.051, employment of a peace officer shall commence when the peace officer is entered on the payroll of the respective municipal police department or county sheriff's department. No peace officer shall be included in the certification of the number of peace officers by more than one municipality or county for the same month.

Sec. 4. Minnesota Statutes 1988, section 69.54, is amended to read:

69.54 [SURCHARGE ON PREMIUMS TO RESTORE DEFICIENCY IN SPECIAL FUND.]

The commissioner shall order and direct a surcharge to be collected of two percent of the fire, lightning, and sprinkler leakage gross premiums, less return premiums, on all direct business received by any licensed foreign or domestic fire insurance company on property in this city of the first class, or by its agents for it, in cash or otherwise. This surcharge shall be due and payable from these companies to the state treasurer on March 31, May 31, and ~~November 30~~ October 31 of each calendar year, and if not paid within 30 days after these dates, a penalty of ten percent shall accrue thereon and thereafter this sum and penalty shall draw interest at the rate of one percent per month until paid.

Sec. 5. Minnesota Statutes 1988, section 168.012, subdivision 1, is amended to read:

Subdivision 1. (a) The following vehicles are exempt from the provisions of this chapter requiring payment of tax and registration fees, except as provided in subdivision 1c:

(1) vehicles owned and used solely in the transaction of official business by representatives of foreign powers, by the federal government, the state, or any political subdivision;

(2) vehicles owned and used exclusively by educational institutions and used solely in the transportation of pupils to and from such institutions;

(3) vehicles owned by nonprofit charities and used exclusively to transport handicapped persons for educational purposes;

(4) vehicles owned and used by honorary consul or consul general of foreign governments.

(b) Vehicles owned by the federal government, municipal fire apparatus, police patrols and ambulances, the general appearance of which is unmistakable, shall not be required to register or display number plates.

(c) Unmarked vehicles used in general police work, arson investigations, and passenger vehicles, station wagons, and buses owned or operated by the department of corrections shall be registered and shall display passenger vehicle classification license number plates which shall be furnished by the registrar at cost. Original and renewal applications for these passenger vehicle license plates authorized for use in general police work and for use by the department of corrections must be accompanied by a certification signed by the appropriate chief of police if issued to a police vehicle,

the appropriate sheriff if issued to a sheriff's vehicle, the commissioner of corrections if issued to a department of corrections vehicle, or the appropriate officer in charge if issued to a vehicle of any other law enforcement agency. The certification must be on a form prescribed by the commissioner and state that the vehicle will be used exclusively for a purpose authorized by this section.

(d) Unmarked vehicles used by the department of revenue in conducting seizures or criminal investigations must be registered and must display passenger vehicle classification license number plates which shall be furnished at cost by the registrar. Original and renewal applications for these passenger vehicle license plates must be accompanied by a certification signed by the commissioner of revenue. The certification must be on a form prescribed by the commissioner and state that the vehicles will be used exclusively for the purposes authorized by this section.

(e) All other motor vehicles shall be registered and display tax exempt number plates which shall be furnished by the registrar at cost, except as provided in subdivision 1c. All vehicles required to display tax exempt number plates shall have the name of the state department or public subdivision on the vehicle plainly displayed on both sides thereof in letters not less than 2½ inches high and one-half inch wide; except that each state hospital and institution for the mentally ill and mentally retarded may have one vehicle without the required identification on the sides of the vehicle. Such identification shall be in a color giving contrast with that of the part of the vehicle on which it is placed and shall endure throughout the term of the registration. The identification must not be on a removable plate or placard and shall be kept clean and visible at all times; except that a removable plate or placard may be utilized on vehicles leased or loaned to a political subdivision.

Sec. 6. Minnesota Statutes 1988, section 270.06, is amended to read:

270.06 [POWERS AND DUTIES.]

The commissioner of revenue shall:

(1) have and exercise general supervision over the administration of the assessment and taxation laws of the state, over assessors, town, county, and city boards of review and equalization, and all other assessing officers in the performance of their duties, to the end that all assessments of property be made relatively just and equal in compliance with the laws of the state;

(2) confer with, advise and give the necessary instructions and directions to local assessors and local boards of review throughout the state as to their duties under the laws of the state;

(3) direct proceedings, actions, and prosecutions to be instituted to enforce the laws relating to the liability and punishment of public officers and officers and agents of corporations for failure or negligence to comply with the provisions of the laws of this state governing returns of assessment and taxation of property, and cause complaints to be made against local assessors, members of boards of equalization, members of boards of review, or any other assessing or taxing officer, to the proper authority, for their removal from office for misconduct or negligence of duty;

(4) require county attorneys to assist in the commencement of prosecutions in actions or proceedings for removal, forfeiture and punishment for violation of the laws of this state in respect to the assessment and taxation of property in their respective districts or counties;

(5) require town, city, county, and other public officers to report information as to the assessment of property, collection of taxes received from licenses and other sources, and such other information as may be needful in the work of the department of revenue, in such form and upon such blanks as the commissioner may prescribe;

(6) require individuals, copartnerships, companies, associations, and corporations to furnish information concerning their capital, funded or other debt, current assets and liabilities, earnings, operating expenses, taxes, as well as all other statements now required by law for taxation purposes;

(7) summon witnesses to appear and give testimony, and to produce books, records, papers and documents relating to any tax matter which the commissioner may have authority to investigate or determine. Provided, that any summons which does not identify the person or persons with respect to whose tax liability the summons is issued may be served only if (a) the summons relates to the investigation of a particular person or ascertainable group or class of persons, (b) there is a reasonable basis for believing that such person or group or class of persons may fail or may have failed to comply with any tax law administered by the commissioner, (c) the information sought to be obtained from the examination of the records (and the identity of the person or persons with respect to whose liability the summons is issued) is not readily available from other sources, (d) the summons is clear and specific as to the information sought to be obtained, and (e) the information sought to be obtained is limited solely to the scope of the investigation. Provided further that the party served with a summons which does not identify the person or persons with respect to whose tax liability the summons is issued shall have the right, within 20 days after service of the summons, to petition the district court for the judicial district in which lies the county in which that party is located for a determination as to whether the commissioner of revenue has complied with all the requirements in (a) to (e), and thus, whether the summons is

enforceable. If no such petition is made by the party served within the time prescribed, the summons shall have the force and effect of a court order;

(8) To cause the deposition of witnesses residing within or without the state, or absent therefrom, to be taken, upon notice to the interested party, if any, in like manner that depositions of witnesses are taken in civil actions in the district court, in any matter which the commissioner may have authority to investigate or determine;

(9) investigate the tax laws of other states and countries and to formulate and submit to the legislature such legislation as the commissioner may deem expedient to prevent evasions of assessment and taxing laws, and secure just and equal taxation and improvement in the system of assessment and taxation in this state;

(10) consult and confer with the governor upon the subject of taxation, the administration of the laws in regard thereto, and the progress of the work of the department of revenue, and furnish the governor, from time to time, such assistance and information as the governor may require relating to tax matters;

(11) transmit to the governor, on or before the third Monday in December of each even-numbered year, and to each member of the legislature, on or before November 15 of each even numbered year, the report of the department of revenue for the preceding years, showing all the taxable property in the state and the value of the same, in tabulated form;

(12) inquire into the methods of assessment and taxation and ascertain whether the assessors faithfully discharge their duties, particularly as to their compliance with the laws requiring the assessment of all property not exempt from taxation;

(13) exercise and perform such further powers and duties as may be required or imposed upon the commissioner of revenue by law;

(14) promulgate rules having the force and effect of law, for the administration and enforcement of the property tax;

(15) execute and administer any agreement with the secretary of the treasury of the United States regarding the exchange of information and administration of the tax laws of both the United States and the state of Minnesota;

(16) administer and enforce the provisions of sections 325.64 to 325.76, the Minnesota unfair cigarette sales act; and

(17) authorize the use of unmarked motor vehicles to conduct

seizures or criminal investigations pursuant to the commissioner's authority.

Sec. 7. Minnesota Statutes 1988, section 270.60, is amended to read:

270.60 [TAX REFUND AGREEMENTS WITH INDIANS.]

The commissioner of revenue is authorized to enter into a tax refund agreement with the governing body of any Sioux or Chippewa reservation in Minnesota. The agreement may provide for a mutually agreed upon amount as a refund to the governing body of any sales or excise tax paid by the Indian residents of a reservation into the state treasury, or for an amount which measures the economic value of an agreement by the council to pay the equivalent of the state sales tax on items included in the sales tax base but exempt on the reservation, notwithstanding any other law which limits the refundment of taxes.

The commissioner of revenue is also authorized to enter into a tax refund agreement with the governing body of any federally recognized Indian reservation in Minnesota, for refund of a mutually agreed upon amount of the cigarette taxes collected from sales on reservations or trust lands of an Indian tribe to the established governing body of the tribe having jurisdiction over the reservation or trust land on which the sale is made.

There is annually appropriated from the general fund to the commissioner of revenue the amounts necessary to make the refunds provided in this section.

Sec. 8. Minnesota Statutes 1988, section 296.18, subdivision 1, is amended to read:

Subdivision 1. [GASOLINE OR SPECIAL FUEL USED IN OTHER THAN MOTOR VEHICLES.] Any person who shall buy and use gasoline for a qualifying purpose other than use in motor vehicles, snowmobiles, or motorboats, or special fuel for a qualifying purpose other than use in licensed motor vehicles, and who shall have paid the Minnesota excise tax directly or indirectly through the amount of the tax being included in the price of the gasoline or special fuel, or otherwise, shall be reimbursed and repaid the amount of the tax paid upon filing with the commissioner a signed claim in writing in the form and containing the information the commissioner shall require and accompanied by the original invoice thereof. By signing any such claim which is false or fraudulent, the applicant shall be subject to the penalties provided in this section for knowingly making a false claim. The claim shall set forth the total amount of the gasoline so purchased and used by the applicant other than in motor vehicles, or special fuel so purchased and used by the applicant other than in licensed motor vehicles, and shall state

when and for what purpose it was used. When a claim contains an error in computation or preparation, the commissioner is authorized to adjust the claim in accordance with the evidence shown on the claim or other information available to the commissioner. The commissioner, on being satisfied that the claimant is entitled to the payments, shall approve the claim and transmit it to the commissioner of finance. No repayment shall be made unless the claim and invoice shall be filed with the commissioner within one year from the date of the purchase. The postmark on the envelope in which the claim is mailed shall determine the date of filing. The words "gasoline" or "special fuel" as used in this subdivision do not include aviation gasoline or special fuel for aircraft. Gasoline or special fuel bought and used for a "qualifying purpose" means:

(1) Gasoline or special fuel used in carrying on a trade or business, used on a farm situated in Minnesota, and used for a farming purpose. "Farm" and "farming purpose" have the meanings given them in section 6420(c)(2), (3), and (4) of the Internal Revenue Code of 1954 1986, as amended through December 31, 1983 1988.

(2) Gasoline or special fuel used for off-highway business use. "Off-highway business use" means any use by a person in that person's trade, business, or activity for the production of income. "Off-highway business use" does not include use as a fuel in a motor vehicle which, at the time of use, is registered or is required to be registered for highway use under the laws of any state or foreign country.

(3) Gasoline or special fuel placed in the fuel tanks of new motor vehicles, manufactured in Minnesota, and shipped by interstate carrier to destinations in other states or foreign countries.

Sec. 9. Minnesota Statutes 1988, section 297.041, subdivision 1, is amended to read:

Subdivision 1. [WHOLESALE] Any A wholesaler who furnishes a surety bond in a sum satisfactory to the commissioner shall be permitted to may set aside, without affixing the stamps required by this chapter, that the part of the wholesaler's stock necessary for the conduct of business in making to make sales to the established governing body of any an Indian tribe recognized by the United States Department of Interior without paying the tax required by this chapter. The unstamped stock shall be kept separate and apart from stamped stock. Every wholesaler shall, at the time of When shipping or delivering any of the unstamped stock to an Indian tribal organization, the wholesaler shall make a true duplicate invoice which shall. The invoice must show the complete details of the sale or delivery and shall transmit. The wholesaler must send the duplicate to the commissioner not later than the 18th day of the following calendar month. Failure If the wholesaler fails to comply with the requirements of this section shall cause, the commissioner

~~to shall~~ revoke the permission granted to the wholesaler to ~~maintain~~ keep a stock of unstamped goods which may be unstamped.

Sec. 10. Minnesota Statutes 1988, section 297.041, subdivision 2, is amended to read:

Subd. 2. [RETAILERS.] Retailers who are Indian tribal organizations may ~~maintain~~ keep unstamped stock intended for sale to qualified purchasers.

Sec. 11. Minnesota Statutes 1988, section 297.041, subdivision 4, is amended to read:

Subd. 4. [SALES TO NONQUALIFIED BUYERS.] ~~Any~~ A retailer who sells or otherwise disposes of ~~any~~ unstamped cigarettes other than to a qualified purchaser shall collect from the buyer or transferee the tax imposed by section 297.02, subdivision 1, and remit the tax to the department of revenue at the same time and manner as required by section 297.07. ~~In the event~~ If the retailer fails to collect the tax from the buyer or transferee, or fails to remit the tax, the retailer ~~shall be~~ is personally responsible for the tax and the commissioner may seize any cigarettes destined to be delivered to the retailer. The cigarettes so seized shall be considered contraband and be subject to the procedures outlined in section 297.08, subdivision 3. The proceeds of the sale of ~~any such~~ the cigarettes may, ~~after deducting all costs and expenses,~~ be applied to any tax liability owed by the retailer after deducting all costs and expenses.

~~The provisions of This section shall~~ does not relieve the buyer or possessor of unstamped cigarettes from personal liability for the tax.

#### Sec. 12. [297.335] [SALES TO INDIAN TRIBES.]

Subdivision 1. [WHOLESALEERS.] A wholesaler may set aside the part of the wholesaler's stock necessary to make sales to the established governing body of an Indian tribe recognized by the United States Department of the Interior without paying the tax required by this chapter. When shipping or delivering untaxed stock to an Indian tribal organization, the wholesaler shall make a true duplicate invoice. The invoice must show the complete details of the sale or delivery. The wholesaler must send the duplicate to the commissioner not later than the 18th day of the following calendar month. If the wholesaler fails to comply with this section, the commissioner shall revoke the permission granted to the wholesaler to keep a stock of untaxed goods.

Subd. 2. [RETAILERS.] Retailers who are Indian tribal organizations may keep untaxed stock intended for sale to qualified purchasers.

Subd. 3. [QUALIFIED PURCHASERS.] A qualified purchaser of untaxed tobacco means only an enrolled member of the Indian tribe offering the tobacco for sale.

Subd. 4. [SALES TO NONQUALIFIED BUYERS.] A retailer who sells or otherwise disposes of untaxed tobacco other than to a qualified purchaser shall collect from the buyer or transferee the tax imposed by this chapter and remit the tax to the department of revenue at the same time and manner as required by this chapter. If the retailer fails to collect the tax from the buyer or transferee, or fails to remit the tax, the retailer is personally responsible for the tax, and the commissioner may seize any tobacco destined to be delivered to the retailer. The procedures for seized contraband outlined in section 297.08, subdivision 3, apply to the seized tobacco. The proceeds of the sale of the tobacco may be applied to any tax liability owed by the retailer after deducting all costs and expenses.

This section does not relieve the buyer or possessor of untaxed tobacco from personal liability for the tax.

Sec. 13. Minnesota Statutes 1988, section 297A.06, is amended to read:

297A.06 [PERMIT.]

After compliance with sections 297A.04 and 297A.28, when security is required, the commissioner shall issue to each applicant a separate permit for each place of business within Minnesota. A permit shall be valid until canceled or revoked but shall not be assignable and shall be valid only for the person in whose name it is issued and for the transaction of business at the place designated therein. It shall at all times be conspicuously displayed at the place for which issued.

Sec. 14. [297A.065] [CANCELLATION OF PERMITS.]

The commissioner may cancel a permit when one of the following conditions occurs:

(1) the permit holder has not filed a sales or use tax return for one year or more;

(2) the permit holder has not reported any sales or use tax liability on the permit holder's returns for two or more years; or

(3) the permit holder requests cancellation of the permit.

Sec. 15. Minnesota Statutes 1988, section 297A.17, is amended to read:

## 297A.17 [TAX TO BE COLLECTED; STATUS AS DEBT.]

The use tax required to be collected by the retailer constitutes a debt owed by the retailer to Minnesota and shall be a debt from the purchaser to the retailer recoverable at law in the same manner as other debts. A retailer who does not maintain a place of business within this state, as defined in section 297A.21, subdivision 1, shall not be indebted to Minnesota for amounts of use tax which it was required to collect but did not collect unless the retailer knew or had been advised by the commissioner of its obligation to collect the use tax.

Sec. 16. Minnesota Statutes 1988, section 297A.20, is amended to read:

## 297A.20 [VIOLATIONS.]

Any person violating ~~sections~~ section 297A.16, or 297A.18 ; ~~or 297A.19~~ shall be guilty of a misdemeanor.

Sec. 17. Minnesota Statutes 1988, section 297A.21, subdivision 4, is amended to read:

Subd. 4. [REQUIRED REGISTRATION BY OUT-OF-STATE RETAILER NOT MAINTAINING PLACE OF BUSINESS IN MINNESOTA.] (a) A retailer making retail sales from outside this state to a destination within this state and not maintaining a place of business in this state shall file an application for a permit pursuant to section 297A.04 and shall collect and remit the use tax as provided in section 297A.16 if the retailer engages in the regular or systematic soliciting of sales from potential customers in this state by:

(1) the distribution, by mail or otherwise, without regard to the state from which such distribution originated or in which the materials were prepared, of catalogs, periodicals, advertising flyers, or other written solicitations of business to customers in this state;

(2) display of advertisements on billboards or other outdoor advertising in this state;

(3) advertisements in newspapers published in this state;

(4) advertisements in trade journals or other periodicals the circulation of which is primarily within this state;

(5) advertisements in a Minnesota edition of a national or regional publication or a limited regional edition in which this state is included of a broader regional or national publication which are not

placed in other geographically defined editions of the same issue of the same publication;

(6) advertisements in regional or national publications in an edition which is not by its contents geographically targeted to Minnesota but which is sold over the counter in Minnesota or by subscription to Minnesota residents;

(7) advertisements broadcast on a radio or television station located in Minnesota; or

(8) any other solicitation by telegraphy, telephone, computer data base, cable, optic, microwave, or other communication system.

(b) The location within or without this state of vendors independent of the retailer which provide products or services to the retailer in connection with its solicitation of customers within this state, including such products and services as creation of copy, printing, distribution, and recording, is not to be taken into account in the determination of whether the retailer is required to collect use tax. Paragraph (a) shall be construed without regard to the state from which distribution of the materials originated or in which they were prepared.

(c) A retailer not maintaining a place of business in this state shall be presumed, subject to rebuttal, to be engaged in regular solicitation within this state if it (1) engages in any of the activities in paragraph (a) and makes 100 or more retail sales from outside this state to destinations within this state during a period of 12 consecutive months, or (2) makes ten or more retail sales totaling more than \$100,000 from outside this state to destinations within this state during a period of 12 consecutive months.

(d) A retailer not maintaining a place of business in this state shall not be required to collect use tax imposed by any local governmental unit or subdivision of this state and this section does not subject such a retailer to any regulation of any local unit of government or subdivision of this state.

Sec. 18. Minnesota Statutes 1988, section 297A.25, subdivision 11, is amended to read:

Subd. 11. [SALES TO GOVERNMENT.] The gross receipts from all sales, including sales in which title is retained by a seller or a vendor or is assigned to a third party under an installment sale or lease purchase agreement under section 465.71, of tangible personal property to, and all storage, use or consumption of such property by, the United States and its agencies and instrumentalities, the University of Minnesota, state universities, community colleges, technical institutes, state academies, and political subdivisions of

the state are exempt. Sales exempted by this subdivision include sales under section 297A.01, subdivision 3, clause (f). This exemption shall not apply to building, construction or reconstruction materials purchased by a contractor or a subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed maximum price covering both labor and materials for use in the construction, alteration or repair of a building or facility. This exemption does not apply to construction materials purchased by tax exempt entities or their contractors to be used in constructing buildings or facilities which will not be used principally by the tax exempt entities. This exemption does not apply to purchases made by or for a joint venture if any participants in the joint venture are not tax exempt under this subdivision or subdivision 16, unless the joint venture itself qualifies for exemption under this subdivision.

Sec. 19. Minnesota Statutes 1988, section 297A.25, subdivision 16, is amended to read:

Subd. 16. [SALES TO NONPROFIT GROUPS.] The gross receipts from the sale of tangible personal property to, and the storage, use or other consumption of such property by, any corporation, society, association, foundation, or institution organized and operated exclusively for charitable, religious or educational purposes if the property purchased is to be used in the performance of charitable, religious or educational functions, or any senior citizen group or association of groups that in general limits membership to persons age 55 or older and is organized and operated exclusively for pleasure, recreation and other nonprofit purposes, no part of the net earnings of which inures to the benefit of any private shareholders, are exempt. Sales exempted by this subdivision include sales pursuant to section 297A.01, subdivision 3, clauses (d) and (f). This exemption shall not apply to building, construction or reconstruction materials purchased by a contractor or a subcontractor as a part of a lump-sum contract or similar type of contract with a guaranteed maximum price covering both labor and materials for use in the construction, alteration or repair of a building or facility. This exemption does not apply to construction materials purchased by tax exempt entities or their contractors to be used in constructing buildings or facilities which will not be used principally by the tax exempt entities. This exemption does not apply to purchases made by or for a joint venture if any participants in the joint venture are not tax exempt under this subdivision or subdivision 11, unless the joint venture itself qualifies for exemption under this subdivision.

Sec. 20. Minnesota Statutes 1988, section 297B.01, subdivision 5, is amended to read:

Subd. 5. "Motor vehicle" means any self-propelled vehicle not operated exclusively upon railroad tracks and any vehicle propelled or drawn by a self-propelled vehicle ~~and~~ for which registration is required by chapter 168. Motor vehicle includes vehicles known as

trackless trolleys which are propelled by electric power obtained from overhead trolley wires but not operated upon rails, ~~except snowmobiles, for which registration is required by chapter 168, but not including and motor vehicles that are purchased on Indian reservations where the tribal council has entered into a motor vehicle excise tax refund agreement with the state of Minnesota.~~ Motor vehicle does not include snowmobiles, house trailers, or manufactured homes.

Sec. 21. Minnesota Statutes 1988, section 297B.02, subdivision 1, is amended to read:

Subdivision 1. [RATE.] There is imposed an excise tax at the rate provided in chapter 297A on the purchase price of any motor vehicle purchased or acquired, either in or outside of the state of Minnesota, which is required to be registered under the laws of this state.

The excise tax is also imposed on the purchase price of motor vehicles purchased or acquired on Indian reservations when the tribal council has entered into a motor vehicle excise tax refund agreement with the state of Minnesota.

Sec. 22. Minnesota Statutes 1988, section 297B.03, is amended to read:

#### 297B.03 [EXEMPTIONS.]

There is specifically exempted from the provisions of this chapter and from computation of the amount of tax imposed by it the following:

(1) Purchase or use, including use under a lease purchase agreement or installment sales contract made pursuant to section 465.71, of any motor vehicle by the United States and its agencies and instrumentalities and by any person described in and subject to the conditions provided in section 297A.25, subdivision 18.

(2) Purchase or use of any motor vehicle by any person who was a resident of another state at the time of the purchase and who subsequently becomes a resident of Minnesota, provided the purchase occurred more than 60 days prior to the date such person began residing in the state of Minnesota.

(3) Purchase or use of any motor vehicle by any person making a valid election to be taxed under the provisions of section 297A.211.

(4) Purchase or use of any motor vehicle previously registered in the state of Minnesota by any corporation or partnership when such transfer constitutes a transfer within the meaning of section 351 or

721 of the Internal Revenue Code of ~~1954~~ 1986, as amended through December 31, ~~1974~~ 1988.

(5) Purchase or use of any vehicle owned by a resident of another state and leased to a Minnesota based private or for hire carrier for regular use in the transportation of persons or property in interstate commerce provided the vehicle is titled in the state of the owner or secured party, and that state does not impose a sales or motor vehicle excise tax on motor vehicles used in interstate commerce.

(6) Purchase or use of a motor vehicle by a private nonprofit or public educational institution for use as an instructional aid in automotive training programs operated by the institution.

Sec. 23. Minnesota Statutes 1988, section 297C.02, subdivision 4, is amended to read:

Subd. 4. [BOTTLE TAX.] A tax of one cent is imposed on each bottle or container of distilled spirits and wine. The wholesaler is responsible for the payment of this tax when the bottles of distilled spirits and wine are removed from inventory for sale, delivery, or shipment.

The following are exempt from the tax:

- (1) miniatures of distilled spirits and wines;
- (2) containers of fermented malt beverage;
- (3) containers of intoxicating liquor or wine holding less than 200 milliliters;
- (4) containers of wine intended exclusively for sacramental purposes;
- (5) containers of alcoholic beverages sold to qualified, approved military clubs;
- (6) containers of alcoholic beverages sold to common carriers engaged in interstate commerce;
- (7) containers of alcoholic beverages sold to authorized food processors or pharmaceutical firms for use exclusively in the manufacturing of food products or medicines;
- (8) containers of alcoholic beverages sold and shipped to dealers, wineries, or distillers in other states; and
- (9) containers of alcoholic beverages sold to other Minnesota wholesalers; and

(10) containers of alcoholic beverages sold to the state of Minnesota, its agencies, instrumentalities, and political subdivisions, if the alcoholic beverage is used for law enforcement training.

Sec. 24. [297C.045] [SALES TO INDIAN TRIBES.]

Subdivision 1. [WHOLESALEERS.] A wholesaler may set aside the part of the wholesaler's stock necessary to make sales to the established governing body of an Indian tribe recognized by the United States Department of the Interior, without paying the tax required by this chapter. When shipping or delivering untaxed stock to an Indian tribal organization, the wholesaler shall make a true duplicate invoice. The invoice must show the complete details of the sale or delivery. The wholesaler must send the duplicate to the commissioner not later than the 18th day of the following calendar month. If a wholesaler fails to comply with the requirements of this section, the commissioner shall revoke the permission granted to the wholesaler to keep a stock of untaxed goods.

Subd. 2. [RETAILERS.] Retailers who are Indian tribal organizations may keep untaxed stock intended for sale to qualified purchasers.

Subd. 3. [QUALIFIED PURCHASERS.] A qualified purchaser of untaxed liquor means only an enrolled member of the Indian tribe that is offering the liquor for sale.

Subd. 4. [SALES TO NONQUALIFIED BUYERS.] A retailer who sells or otherwise disposes of untaxed liquor other than to a qualified purchaser shall collect from the buyer or transferee the tax imposed by this chapter and remit the tax to the department of revenue at the same time and manner as required by this chapter. If the retailer fails to collect the tax from the buyer or transferee, or fails to remit the tax, the retailer is personally responsible for the tax and the commissioner may seize any liquor destined to be delivered to the retailer. The procedures outlined in section 297C.12 apply to the seized liquor. The proceeds of the sale of the liquor may be applied to any tax liability owed by the retailer after deducting all costs and expenses.

This section does not relieve the buyer or possessor of untaxed liquor from personal liability for the tax.

Sec. 25. Minnesota Statutes 1988, section 297C.07, is amended to read:

297C.07 [EXCEPTIONS.]

The following are not subject to the excise tax:

(1) Sales by a manufacturer, brewer, or wholesaler for shipment outside the state in interstate commerce.

(2) Sales of wine for sacramental purposes under section 340A.316.

(3) Fruit juices naturally fermented or beer naturally brewed in the home for family use.

(4) Malt beverages served by a brewery for on-premise consumption at no charge, or distributed to brewery employees for on-premise consumption under a labor contract.

(5) Alcoholic beverages sold to authorized manufacturers of food products or pharmaceutical firms. The alcoholic beverage must be used exclusively in the manufacture of food products or medicines. For purposes of this part, "manufacturer" means a manufacturer of food products intended for sale to wholesalers or retailers for ultimate sale to the consumer.

(6) Sales to common carriers engaged in interstate transportation of passengers and qualified approved military clubs, except as provided in section 297C.17.

(7) Alcoholic beverages sold or transferred between Minnesota wholesalers.

(8) Sales to a federal agency, that the state of Minnesota is prohibited from taxing under the constitution or laws of the United States or under the constitution of Minnesota.

(9) Sales to the state of Minnesota, its agencies, instrumentalities, and political subdivisions, if the alcoholic beverage is used for law enforcement training.

**Sec. 26. [297D.085] [CREDIT FOR PREVIOUSLY PAID TAXES.]**

If another state or local unit of government has previously assessed an excise tax on the marijuana or controlled substances, the taxpayer must pay the difference between the tax due under section 297D.08 and the tax previously paid. If the tax previously paid to the other state or local unit of government was equal to or greater than the tax due under section 297D.08, no tax is due. The burden is on the taxpayer to show that an excise tax on the marijuana or controlled substances has been paid to another state or local unit of government.

Sec. 27. Minnesota Statutes 1988, section 297D.13, is amended by adding a subdivision to read:

Subd. 4. [POSSESSION OF STAMPS.] A stamp denoting payment of the tax imposed under this chapter must not be used against the taxpayer in a criminal proceeding, except that the stamp may be used against the taxpayer in connection with the administration or civil or criminal enforcement of the tax imposed under this chapter or any similar tax imposed by another state or local unit of government.

Sec. 28. Minnesota Statutes 1988, section 325D.32, subdivision 10, is amended to read:

Subd. 10. (a) "Cost to wholesaler" means the basic cost of the cigarettes, prior to deducting manufacturer's timely payment and stamping discounts and any other discounts or rebates, plus the cost of doing business by the wholesaler, as defined in sections 325D.30 to 325D.42.

(b) The cost of doing business by the wholesaler is presumed to be four percent of the basic cost of the cigarettes, plus cartage to the retail outlet, if furnished or paid for by the wholesaler, in the absence of proof of a lesser or higher cost. Such cartage cost is presumed to be one-half of one percent of the basic cost of the cigarettes in the absence of proof of a lesser or higher cost.

(c) A wholesaler electing to sell cigarettes at a price other than that presumed by law must submit to the commissioner documentation substantiating the actual cost of the cigarettes before selling at actual cost. For purposes of this paragraph "actual cost" means basic cost as defined in subdivision 9 plus the wholesaler's cost of doing business. The commissioner shall review the documents submitted and, if necessary, request additional documentation to verify the accuracy of the cost computations. If, within 15 days of submission of the documentation, the commissioner has not notified the wholesaler of any deficiencies in the cost computations, the wholesaler may begin selling at actual cost. The cost computations are effective for a period of not more than 12 months beginning 15 days after submission of the documentation. Fifteen days before expiration of the 12-month period, the wholesaler must submit new cost documentation for review by the commissioner to continue selling at less than the price presumed by law. New cost documentation must also be submitted to the commissioner on the last day of a month in which the basic cost of cigarettes increases.

Sec. 29. Minnesota Statutes 1988, section 325D.37, is amended by adding a subdivision to read:

Subd. 3. Before selling cigarettes at a price set in good faith to meet competition, a wholesaler shall contact the commissioner to verify that a competitor has met the requirements of section 325D.32, subdivision 10, or that a competitor has contacted the

commissioner under this subdivision in response to a wholesaler who has met the requirements of section 325D.32, subdivision 10.

Sec. 30. Minnesota Statutes 1988, section 469.190, subdivision 1, is amended to read:

Subdivision 1. [AUTHORIZATION.] Notwithstanding section 477A.016 or any other law, a statutory or home rule charter city may by ordinance, and a town may by the affirmative vote of the electors at its the annual town meeting, or at a special town meeting, impose a tax of up to three percent on the gross receipts from the furnishing for consideration of lodging at a hotel, motel, rooming house, tourist court, or resort, other than the renting or leasing of it for a continuous period of 30 days or more. A statutory or home rule charter city may by ordinance impose the tax authorized under this subdivision on the camping site receipts of a municipal campground.

Sec. 31. Minnesota Statutes 1988, section 473.843, subdivision 1, is amended to read:

Subdivision 1. [AMOUNT OF FEE; APPLICATION.] The operator of a mixed municipal solid waste disposal facility in the metropolitan area shall pay a fee on solid waste accepted and disposed at the facility as follows:

(a) A facility that weighs the waste that it accepts must pay a fee of 50 cents per cubic yard based on equivalent cubic yards of waste accepted at the entrance of the facility.

(b) A facility that does not weigh the waste but that measures the volume of the waste that it accepts must pay a fee of 50 cents per cubic yard of waste accepted at the entrance of the facility. This fee and the tipping fee must be calculated on the same basis.

(c) Waste residue from energy and resource recovery facilities at which solid waste is processed for the purpose of extracting, reducing, converting to energy, or otherwise separating and preparing solid waste for reuse is exempt from one-half of the amount of fee imposed by this subdivision if there is at least an 85 percent volume reduction in the solid waste processed. To qualify for exemption under this clause, waste residue must be brought to a disposal facility separately. The commissioner of revenue, with the advice and assistance of the agency, shall prescribe procedures for determining the amount of waste residue qualifying for exemption.

Sec. 32. [CONTINUATION OF EFFECT.]

The repeal of Minnesota Statutes, sections 477A.018 and 477A.019, in this act shall be deemed to be a part of a repeal and reenactment under Laws 1987, chapter 291, with the effect provided

in Minnesota Statutes, section 645.37. A statutory or home rule charter city, county, or town ordinance, resolution, or vote to impose a tax under Minnesota Statutes 1988, section 477A.018, may continue in effect under the terms of Minnesota Statutes, section 469.190.

Sec. 33. [REPEALER.]

Minnesota Statutes 1988, sections 295.01, subdivisions 4, 5, 6, 7, and 8; 295.15; 295.21; 295.23; 295.24; 295.25; 295.27; 295.29; 295.30; 295.31; 297A.19; 297A.253; 477A.018; and 477A.019, are repealed.

Sec. 34. [EFFECTIVE DATE.]

Sections 1, 2, 4 to 6, 8 to 14, 16, 17, 20 to 26, 28 to 31, and 33 are effective July 1, 1989. Section 3 is effective for reports filed in 1990 and thereafter. Section 7 is retroactively effective July 1, 1988. Section 15 is retroactively effective June 1, 1988. Sections 18 and 19 are effective for all sales made after June 30, 1989, but do not apply to sales of tangible personal property made pursuant to bona fide written contracts that were enforceable before July 1, 1989, and delivery is made on or before December 31, 1989. Section 27 is retroactively effective August 1, 1986. Section 32 is retroactively effective August 1, 1987.

Delete the title and insert:

“A bill for an act relating to taxation; making technical corrections and clarifications and administrative changes to premium taxes, cigarette taxes, sales taxes, motor vehicle excise taxes, gasoline and special fuel taxes, liquor taxes, marijuana and controlled substances taxes, lodging taxes, and the metropolitan solid waste landfill fee; providing for unmarked vehicles for use by the department of revenue; providing for sales of unstamped tobacco products and liquor to Indian tribes; providing for cancellation of sales tax permits; exempting liquor used in law enforcement training; repealing obsolete or unnecessary terms or provisions; repealing express company, freight line company, and sleeping car company gross earnings taxes; requiring notification of the commissioner prior to selling cigarettes at prices other than those presumed by law; amending Minnesota Statutes 1988, sections 16B.54, subdivision 2; 41A.09, subdivision 3; 69.011, subdivision 2; 69.54; 168.012, subdivision 1; 270.06; 270.60; 296.18, subdivision 1; 297.041, subdivisions 1, 2, and 4; 297A.06; 297A.17; 297A.20; 297A.21, subdivision 4; 297A.25, subdivisions 11 and 16; 297B.01, subdivision 5; 297B.02, subdivision 1; 297B.03; 297C.02, subdivision 4; 297C.07; 297D.13, by adding a subdivision; 325D.32, subdivision 10; 325D.37, by adding a subdivision; 469.190, subdivision 1; 473.843, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 297, 297A, 297C, and 297D; repealing Minnesota Statutes 1988, sections 295.01, subdivisions 4, 5, 6, 7, and 8; 295.15; 295.21; 295.23; 295.24;

295.25; 295.27; 295.29; 295.30; 295.31; 297A.19; 297A.253; 477A.018; and 477A.019.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 278, A bill for an act relating to highways; specific service signs; changing rural agricultural business to rural commercial business, and specifying that the term includes certain types of businesses; amending Minnesota Statutes 1988, section 160.292, subdivisions 2 and 10; 160.293, subdivision 3; and 160.295, subdivision 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 160.292, subdivision 2, is amended to read:

Subd. 2. “Specific service Tourist-oriented direction sign” means a rectangular sign panel not greater than 1½ feet by six feet displaying the name of a rural agricultural business, place of worship, motel, restaurant, resort, or recreational camping area tourist-oriented business or a place of worship and, where appropriate, the direction to and distance to the rural agricultural business, camping area, motel, restaurant, or resort tourist-oriented business or place of worship.

Sec. 2. Minnesota Statutes 1988, section 160.292, subdivision 3, is amended to read:

Subd. 3. “Specific service Tourist-oriented direction sign assembly” means a combination of specific service tourist-oriented direction sign panels not to exceed four panels to be placed within the right-of-way on appropriate approaches to an intersection.

Sec. 3. Minnesota Statutes 1988, section 160.292, subdivision 4, is amended to read:

Subd. 4. “Specific service Tourist-oriented direction sign cluster” means a grouping of specific service tourist-oriented direction sign assemblies on appropriate approaches to an intersection.

Sec. 4. Minnesota Statutes 1988, section 160.292, subdivision 10, is amended to read:

Subd. 10. "Specific service" means restaurants and rural agricultural businesses, places of worship, and motels, resorts, or recreational camping areas that provide sleeping accommodations for the traveling public. "Tourist-oriented business" means businesses, services, and activities the major portion of whose income or visitors are derived during the normal business season from motorists not residing in the immediate area of the business or activity. "Tourist-oriented business" includes, but is not limited to, any: (1) restaurant, (2) motel, resort, or recreational camping area as defined in section 327.14, subdivision 8, that provides sleeping accommodation for the traveling public, (3) seasonal agricultural business including a greenhouse or nursery, (4) bait and tackle shop, (5) marina, and (6) gift shop and antique shop.

Sec. 5. Minnesota Statutes 1988, section 160.293, is amended to read:

160.293 [INTENDED USE.]

Subdivision 1. [PURPOSE.] Specific service Tourist-oriented direction signs are to be used to create and implement a system of signing for the purpose of displaying specific service tourist-oriented directional information to the traveling public on nonfreeway type trunk highways in rural areas.

Subd. 2. [SPECIFIC SERVICE TOURIST-ORIENTED BUSINESS SIGNS ON NONFREEWAY HIGHWAYS.] A specific service tourist-oriented business sign may be erected at the intersection of a trunk highway with a local road, on bypasses of outstate municipalities, and subject to prior approval of the federal highway administration at the intersection of two trunk highways. A specific service tourist-oriented direction sign may not be erected if the place of business is readily visible or effective directional advertising is visible or the sign can be legally and effectively located near the intersection.

Subd. 3. [NUMBER OF TRUNK HIGHWAY INTERSECTIONS.] A specific service tourist-oriented directional sign for a rural agricultural business, place of worship, restaurant, motel, resort, or recreational camping area tourist-oriented business or a place of worship is limited to one intersection on the trunk highway system.

Subd. 4. [TRAILBLAZING.] Appropriate signing on local roads between a trunk highway intersection and a specific service tourist-oriented business or a place of worship shall be the responsibility of the specific service tourist-oriented business or place of worship and the local road authority.

Subd. 5. [SIGNING STANDARDS.] Placement of specific service tourist-oriented directional sign assemblies shall be in accordance with sections 160.292 to 160.296 and existing traffic control device standards.

Subd. 6. [RURAL ROAD MARKINGS.] Rural roads, named and marked in accordance with resolutions from their road authority, shall continue to be identified.

Sec. 6. Minnesota Statutes 1988, section 160.294, is amended to read:

160.294 [SIGN DETAILS.]

Subdivision 1. [CONSTRUCTION OF SIGN.] Specific service Tourist-oriented directional sign panels shall be made of reflective sheeting and shall be on blue background with white letters, arrows and border. The directional arrow and mileage shall be displayed on the same side of the panel as the direction of turn. Signing for straight ahead movement shall not be permitted.

Subd. 2. [SPECIFIC SERVICE TOURIST-ORIENTED DIRECTIONAL SIGN ASSEMBLIES.] Left directional panels shall be placed on top of the right directional panels. A gap shall separate a left panel from the right panel. An assembly shall be spaced preferably 300 feet, but a minimum of 200 feet from other required signing. If no other signing is located at an intersection, the assembly shall be placed 300 feet in advance of the intersection. Assemblies within a cluster shall not be placed closer than 300 feet. No specific service tourist-oriented directional sign or assembly shall be placed at a location that will interfere with other necessary signing.

Sec. 7. Minnesota Statutes 1988, section 160.295, is amended to read:

160.295 [CRITERIA FOR SPECIFIC SERVICE TOURIST-ORIENTED DIRECTIONAL SIGNS.]

Subdivision 1. [CONFORMITY WITH LAW.] A specific service tourist-oriented business identified on a specific service sign shall be in conformity with all applicable laws and rules concerning the provisions for public accommodation without regard to race, religion, color, sex or national origin.

Subd. 2. [DISTANCE TO SPECIFIC SERVICE TOURIST-ORIENTED BUSINESS.] A specific service tourist-oriented directional sign may be placed on a nonfreeway type road if the specific service tourist-oriented business or the place of worship is located within 15 miles of the qualifying site.

Subd. 3. [MOTEL, RESTAURANT, AND RESORT WARRANT.] Motels, restaurants, and resorts served by the specific service tourist-oriented directional signing shall be licensed by the state department of health as required by section 157.03.

Subd. 4. [RECREATIONAL CAMPING AREA.] Recreational camping areas shall possess a state department of health license as required by section 327.15 and the following:

- (1) A minimum of 15 camping spaces;
- (2) Modern sanitary facilities (flush, chemical, or incinerator toilets) and drinking water; and
- (3) Services available 24 hours a day.

Subd. 5. [RURAL AGRICULTURAL TOURIST-ORIENTED BUSINESS.] A rural agricultural tourist-oriented business other than a restaurant, motel, resort, or recreational camping area must be open a minimum of eight hours per day, six days per week, and 12 months per year. However, a seasonal business may qualify if it is open eight hours per day and six days per week during the normal seasonal period.

Sec. 8. Minnesota Statutes 1988, section 160.296, is amended to read:

160.296 [SIGNS; ADMINISTRATION; RULES.]

Subdivision 1. [PROCEDURE.] A person who desires a specific service tourist-oriented directional sign panel shall request the commissioner of transportation to install the sign. The commissioner of transportation may grant the request if the applicant qualifies for the sign panel and if space is available. All signs shall be fabricated, installed, maintained, replaced and removed by the commissioner of transportation. The applicant shall pay a fee to the commissioner of transportation to cover all costs for fabricating, installing, maintaining, replacing and removing. The requests for specific service tourist-oriented directional sign panels shall be renewed every three years.

Subd. 2. [SEASONAL SERVICES.] All sign panels for seasonal services shall be covered or removed when the service is not available.

Subd. 3. [COMMUNICATIONS.] Any new or participating specific service tourist-oriented business or place of worship shall respond to any communication from the commissioner of transportation within 30 days or an in place sign panel will be removed.

Subd. 4. [SIGN REMOVAL.] The ~~specific service~~ tourist-oriented directional sign panels shall be removed by the commissioner of transportation if any of the requirements in sections 160.292 to 160.296 are not continually met."

Delete the title and insert:

"A bill for an act relating to highways; ~~changing specific service signs to tourist-oriented directional signs; including certain types of businesses as tourist-oriented businesses; amending Minnesota Statutes 1988, section 160.292, subdivisions 2, 3, 4, and 10; 160.293; 160.294; 160.295; and 160.296.~~"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 306, A bill for an act relating to trusts; providing for their creation, validity, administration, and supervision; providing for the sale of real property; relating to legal estates in real and personal property; relating to estates; amending Minnesota Statutes 1988, sections 500.17, subdivision 2; and 502.73; proposing coding for new law as Minnesota Statutes, chapter 501B; proposing coding for new law in Minnesota Statutes, chapter 525; repealing Minnesota Statutes 1988, sections 500.13; 501.01; 501.02; 501.03; 501.04; 501.05; 501.06; 501.07; 501.08; 501.09; 501.10; 501.11; 501.115; 501.12; 501.125; 501.13; 501.14; 501.15; 501.155; 501.16; 501.17; 501.18; 501.19; 501.195; 501.20; 501.21; 501.211; 501.22; 501.23; 501.24; 501.25; 501.26; 501.27; 501.28; 501.29; 501.30; 501.31; 501.32; 501.33; 501.34; 501.35; 501.351; 501.36; 501.37; 501.38; 501.39; 501.40; 501.41; 501.42; 501.43; 501.44; 501.45; 501.46; 501.461; 501.48; 501.49; 501.50; 501.51; 501.52; 501.53; 501.54; 501.55; 501.56; 501.57; 501.58; 501.59; 501.60; 501.61; 501.62; 501.63; 501.64; 501.65; 501.66; 501.67; 501.71; 501.72; 501.73; 501.74; 501.75; 501.76; 501.77; 501.78; 501.79; 501.80; 501.805; 501.81; 501A.01; 501A.02; 501A.03; 501A.04; 501A.05; 501A.06; and 501A.07.

Reported the same back with the following amendments:

Page 1, lines 35 and 36, delete "to the extent of the estate granted"

Page 4, line 3, delete "36" and insert "39"

Page 10, line 24, delete "20" and insert "21"

Page 12, lines 13 and 14, delete "this section, except subdivision 4," and insert "subdivisions 1 to 3"

Page 12, line 16, delete "this section" and insert "April 15, 1927."

Page 12, delete line 17

Page 12, line 28, delete "13" and insert "14"

Page 43, line 1, delete "1989" and insert "1990"

Page 43, line 7, delete "1988" and insert "1989"

Page 43, line 9, delete "1989" and insert "1990"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 315, A bill for an act relating to crimes; criminal sexual conduct; providing intensive sex offender treatment programs within the correctional system; providing for specialized probation and corrections agents to supervise released sex offenders; requiring the collection of data on the treatment and recidivism rates of convicted sex offenders; extending the jurisdiction of the juvenile court over sex offenders until their 21st birthday; providing a centralized reporting system for juvenile felony offenders; requiring the bureau of criminal apprehension to develop uniform procedures for the collection and analysis of DNA typing evidence; providing for the admissibility of such evidence; increasing penalties for criminal sexual conduct offenses; permitting courts to sentence dangerous or patterned sex offenders to longer periods of incarceration and supervision; creating a legislative commission to study the child protection system; appropriating money for the development of a DNA profiling laboratory and for a public information campaign against sexual violence; amending Minnesota Statutes 1988, sections 260.161, subdivision 1; 260.181, subdivision 4; 260.185, subdivision 1; 609.342, subdivision 2; 609.343, subdivision 2; 609.344, subdivision 2; and 609.345, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 241; 242; 299C; 609; and 634.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [241.75] [SEX OFFENDER TREATMENT; PROGRAMS; STANDARDS; DATA.]

Subdivision 1. [PRISON TREATMENT PROGRAMS.] The commissioner shall establish and operate an intensive sex offender treatment program for eligible inmates who desire to participate voluntarily in the program. This section does not require the commissioner to accept or retain an offender in a treatment program.

Subd. 2. [TREATMENT PROGRAMS; STANDARDS.] On or before January 1, 1991, the commissioner shall adopt rules establishing standards for sex offender treatment programs operated in adult and juvenile correctional facilities. In developing these standards the commissioner shall consult with the commissioner of human services and with representatives of the following groups: psychiatrists, social workers, psychologists, chemical dependency counselors, probation officers, correctional agents, sex offenders, families of sex offenders, law enforcement officers, and judges. The standards shall require that sex offender treatment programs be at least four months in duration and shall also address (1) program content, (2) professional staff qualifications, (3) admission, participation, and completion criteria, and (4) criteria for discharging program participants who fail to meet participation requirements. No correctional facility may operate a sex offender treatment program after January 1, 1991, unless the program meets the standards established under this subdivision. As used in this subdivision, "correctional facility" has the meaning given it in section 241.021, subdivision 1, clause (5).

Subd. 3. [SPECIALIZED CORRECTIONS AGENTS; SEX OFFENDER SUPERVISION.] The commissioner of corrections, for employees subject to the Minnesota merit system, and directors of county personnel systems, for counties not subject to the Minnesota merit system, shall establish a job classification consisting exclusively of probation officers and correctional agents who have specialized training and experience in the supervision of convicted or adjudicated sex offenders. When an adult sex offender is discharged from prison on supervised release or is sentenced to probationary supervision, and when a juvenile offender is adjudicated for a sex offense by the juvenile court and placed on probation, the commissioner or the appropriate court services officer shall make reasonable efforts to assign an officer or agent within the specialized job classification to supervise the offender.

Subd. 4. [COLLECTION OF DATA ON CONVICTED SEX OFFENDERS.] The commissioner shall collect and maintain the following data on offenders convicted of felony sex offenses and committed to the custody of the commissioner:

- (1) the type of sex offense committed by the offender;
- (2) the sentence received by the offender;

(3) whether the offender was assessed as amenable to sex offender treatment;

(4) whether the offender was admitted to a sex offender treatment program, and if so, what program;

(5) whether the offender successfully completed the treatment program; and

(6) whether the offender committed a subsequent sex offense while on supervised release or within ten years after release from prison.

The commissioner shall, every odd-numbered year or at the request of the legislature, publish summary data on the treatment experience and recidivism rates of sex offenders based on the information collected under this subdivision.

Sec. 2. [242.205] [JUVENILE SEX OFFENDER TREATMENT.]

The commissioner shall provide an intensive sex offender treatment program for adjudicated juvenile sex offenders within a juvenile correctional facility.

Sec. 3. Minnesota Statutes 1988, section 244.05, subdivision 4, is amended to read:

Subd. 4. [MINIMUM IMPRISONMENT, LIFE SENTENCE.] An inmate serving a mandatory life sentence under section 15 for a third conviction of criminal sexual conduct must not be given supervised release under this section. An inmate convicted under section 609.185 or 609.385 and serving a mandatory life sentence shall must not be given supervised release under this section without having served a minimum term of imprisonment of 17 years.

Sec. 4. Minnesota Statutes 1988, section 244.05, subdivision 5, is amended to read:

Subd. 5. [SUPERVISED RELEASE, LIFE SENTENCE.] The commissioner of corrections may, under rules promulgated by the commissioner, give supervised release to an inmate serving a mandatory life sentence for conviction of murder in the first degree under section 609.185 or treason under section 609.385 after the inmate has served the minimum term of imprisonment specified in subdivision 4.

Sec. 5. Minnesota Statutes 1988, section 260.161, subdivision 1, is amended to read:

Subdivision 1. The juvenile court judge shall keep such minutes and in such manner as the court deems necessary and proper. The court shall keep and maintain records pertaining to delinquent adjudications until the person reaches the age of 23 years and shall release the records on an individual to a requesting adult court for purposes of sentencing, or to an adult court or juvenile court as required by the right of confrontation of either the United States Constitution or the Minnesota Constitution. The juvenile court shall provide, upon the request of any other juvenile court, copies of the records concerning adjudications involving the particular child. The court shall also keep an index in which files pertaining to juvenile matters shall be indexed under the name of the child. After the name of each file shall be shown the file number and, if ordered by the court, the book and page of the register in which the documents pertaining to such file are listed. The court shall also keep a register properly indexed in which shall be listed under the name of the child all documents filed pertaining to the child and in the order filed. The list shall show the name of the document and the date of filing thereof. The juvenile court legal records shall be deposited in files and shall include the petition, summons, notice, findings, orders, decrees, judgments, and motions and such other matters as the court deems necessary and proper. The legal records maintained in this file shall be open at all reasonable times to the inspection of any child to whom the records relate, and to the child's parent and guardian.

In addition, the juvenile court shall forward to the bureau of criminal apprehension the following information pertaining to juveniles adjudicated delinquent for having violated section 609.342, 609.343, 609.344, or 609.345:

(1) the name and birthdate of the juvenile;

(2) the type of act for which the juvenile was adjudicated delinquent; and

(3) the date of the adjudication.

The juvenile court shall also notify the bureau whenever it destroys juvenile court records of these juveniles.

Sec. 6. Minnesota Statutes 1988, section 260.185, subdivision 1, is amended to read:

Subdivision 1. If the court finds that the child is delinquent, it shall enter an order making any of the following dispositions of the case which are deemed necessary to the rehabilitation of the child:

(a) Counsel the child or the parents, guardian, or custodian;

(b) Place the child under the supervision of a probation officer or other suitable person in the child's own home under conditions prescribed by the court including reasonable rules for conduct and the conduct of the child's parents, guardian, or custodian, designed for the physical, mental, and moral well-being and behavior of the child, or with the consent of the commissioner of corrections, in a group foster care facility which is under the management and supervision of said commissioner;

(c) Subject to the supervision of the court, transfer legal custody of the child to one of the following:

(1) A child placing agency; or

(2) The county welfare board; or

(3) A reputable individual of good moral character. No person may receive custody of two or more unrelated children unless licensed as a residential facility pursuant to sections 245.781 to 245.812; or

(4) ~~Except for children found to be delinquent as defined in section 260.015, subdivision 5, clauses (e) and (d),~~ A county home school, if the county maintains a home school or enters into an agreement with a county home school; or

(5) A county probation officer for placement in a group foster home established under the direction of the juvenile court and licensed pursuant to section 241.021;

(d) ~~Except for children found to be delinquent as defined in section 260.015, subdivision 5, clauses (e) and (d),~~ Transfer legal custody by commitment to the commissioner of corrections;

(e) If the child is found to have violated a state or local law or ordinance which has resulted in damage to the property of another, the court may order the child to make reasonable restitution for such damage;

(f) Require the child to pay a fine of up to \$700; the court shall order payment of the fine in accordance with a time payment schedule which shall not impose an undue financial hardship on the child;

(g) If the child is in need of special treatment and care for reasons of physical or mental health, the court may order the child's parent, guardian, or custodian to provide it. If the parent, guardian, or custodian fails to provide this treatment or care, the court may order it provided;

(h) If the court believes that it is in the best interests of the child

and of public safety that the driver's license of the child be canceled until the child's 18th birthday, the court may recommend to the commissioner of public safety the cancellation of the child's license for any period up to the child's 18th birthday, and the commissioner is hereby authorized to cancel such license without a hearing. At any time before the termination of the period of cancellation, the court may, for good cause, recommend to the commissioner of public safety that the child be authorized to apply for a new license, and the commissioner may so authorize.

If the child is petitioned and proved to be delinquent for having violated section 609.342, 609.343, 609.344, or 609.345, the court shall order an independent professional assessment of the child's need for sex offender treatment. If the evaluation indicates that the child is in need of and amenable to sex offender treatment, the court shall include in its disposition order a requirement that the child undergo treatment.

Any order for a disposition authorized under this section shall contain written findings of fact to support the disposition ordered, and shall also set forth in writing the following information:

- (a) Why the best interests of the child are served by the disposition ordered; and
- (b) What alternative dispositions were considered by the court and why such dispositions were not appropriate in the instant case.

This subdivision applies to dispositions of juveniles found to be delinquent as defined in section 260.015, subdivision 5, clause (e) or (d) made prior to, on, or after January 1, 1978.

**Sec. 7. [299C.095] [CENTRALIZED SYSTEM FOR IDENTIFICATION OF ADJUDICATED JUVENILE SEX OFFENDERS.]**

The bureau shall establish a centralized system for recording the names, birthdates, and offenses of all juveniles adjudicated delinquent in this state for having violated section 609.342, 609.343, 609.344, or 609.345. All information pertaining to adjudicated juveniles received from the juvenile courts under section 260.161, subdivision 1, must be maintained in the records system and must be made available, on request, to the individual subject of the record and to any law enforcement agency or prosecuting authority. Upon receiving a notice from a juvenile court that the court has destroyed a person's juvenile court records, the bureau shall remove from the system all records about the person and destroy them.

**Sec. 8. [299C.155] [STANDARDIZED EVIDENCE COLLECTION; DNA ANALYSIS, DATA, AND RECORDS.]**

Subdivision 1. [DEFINITION.] As used in this section, "DNA analysis" means the process through which deoxyribonucleic acid (DNA) in a human biological specimen is analyzed and compared with DNA from another human biological specimen for identification purposes.

Subd. 2. [UNIFORM EVIDENCE COLLECTION.] The bureau shall develop uniform procedures and protocols for collecting evidence in cases of alleged or suspected criminal sexual conduct, including procedures and protocols for the collection and preservation of human biological specimens for DNA analysis. The bureau shall encourage law enforcement agencies and medical personnel who conduct evidentiary exams to use the uniform procedures and protocols in their investigation of criminal sexual conduct offenses.

Subd. 3. [DNA ANALYSIS AND DATA BANK.] The bureau shall adopt uniform procedures and protocols to maintain, preserve, and analyze human biological specimens for DNA. The bureau shall establish a centralized system to cross-reference data obtained from DNA analysis.

Subd. 4. [RECORDS.] The bureau shall perform DNA analysis and make the data obtained available to law enforcement officials in connection with criminal investigations in which human biological specimens have been recovered. Upon request, the bureau shall also make the data available to the prosecutor and the subject of the data in any subsequent criminal prosecution of the subject.

Sec. 9. Minnesota Statutes 1988; section 526.10, is amended to read:

526.10 [LAWS RELATING TO MENTALLY ILL PERSONS DANGEROUS TO THE PUBLIC TO APPLY TO PSYCHOPATHIC PERSONALITIES; TRANSFER TO CORRECTIONS.]

Subdivision 1. [PROCEDURE.] Except as otherwise provided herein in this section or in chapter 253B, the provisions of chapter 253B, pertaining to persons mentally ill and dangerous to the public shall apply with like force and effect to persons having a psychopathic personality, to persons alleged to have such personality, and to persons found to have such personality, respectively. Before such proceedings are instituted, the facts shall first be submitted to the county attorney, who, if satisfied that good cause exists therefor, shall prepare the petition to be executed by a person having knowledge of the facts and file the same with the judge of the probate court of the county in which the "patient," as defined in such statutes, has a settlement or is present. The judge of probate shall thereupon follow the same procedures set forth in chapter 253B, for judicial commitment. The judge may exclude the general public from attendance at such hearing. If, upon completion of the hearing and consideration of the record, the court finds the proposed patient

has a psychopathic personality, the court shall commit such person to a public hospital or a private hospital consenting to receive the person, subject to a mandatory review by the head of the hospital within 60 days from the date of the order as provided for in chapter 253B for persons found to be mentally ill and dangerous to the public. The patient shall thereupon be entitled to all of the rights provided for in chapter 253B, for persons found to be mentally ill and dangerous to the public, and all of the procedures provided for in chapter 253B, for persons found to be mentally ill and dangerous to the public shall apply to such patient except as otherwise provided in subdivision 2.

Subd. 2. [TRANSFER TO CORRECTIONAL FACILITY.] If a person has been committed under this section and also has been committed to the custody of the commissioner of corrections, the person may be transferred from a hospital to another facility designated by the commissioner of corrections as provided in section 253B.18; except that the special review board and the commissioner of human services may consider the following factors in lieu of the factors listed in section 253B.18, subdivision 6, to determine whether a transfer to the commissioner of corrections is appropriate:

- (1) the person's unamenability to treatment;
- (2) the person's unwillingness or failure to follow treatment recommendations;
- (3) the person's lack of progress in treatment at the public or private hospital;
- (4) the danger posed by the person to other patients or staff at the public or private hospital; and
- (5) the degree of security necessary to protect the public.

Sec. 10. [609.1351] [DANGEROUS SEX OFFENDERS; SPECIAL SENTENCING PROVISION.]

Subdivision 1. [SENTENCING AUTHORITY.] Except as otherwise required by section 15, a court may sentence a person to a term of imprisonment of not less than double the presumptive sentence under the sentencing guidelines and not more than the statutory maximum, or if the statutory maximum is less than double the presumptive sentence, to a term of imprisonment equal to the statutory maximum, if:

- (1) the court is imposing an executed sentence on a person convicted of committing or attempting to commit a violation of section 609.342, 609.343, 609.344, or 609.345, or on a person convicted of committing or attempting to commit any other felony

listed in section 611A.031 if it reasonably appears to the court that the felony was motivated by the offender's sexual impulses or was part of a predatory pattern of behavior that had criminal sexual conduct as its goal;

(2) the court finds that the offender is a danger to public safety; and

(3) the court finds that the offender needs long-term treatment or supervision beyond the presumptive term of imprisonment and supervised release. This finding shall be based on a professional assessment by an examiner experienced in evaluating sex offenders which concludes that the offender is a patterned sex offender. The assessment must contain the facts upon which the conclusion is based, with reference to the social history, the offense history of the offender or the aggravated characteristics of the offender's current crime, and the results of an examination of the offender's mental status. The conclusion may not be based on testing alone. A patterned sex offender is one whose criminal sexual behavior is so ingrained that the risk of reoffending is great without intensive psychotherapeutic intervention or other long-term controls.

Subd. 2. [DANGER TO PUBLIC SAFETY.] The court shall base its finding that the offender is a danger to public safety on either of the following factors:

(1) the crime involved an aggravating factor that would justify a departure from the presumptive sentence under the sentencing guidelines; or

(2) the offender had previously committed or attempted to commit a felony offense listed in section 611A.031, including an offense committed as a juvenile that would have been a listed felony if committed by an adult.

Subd. 3. [DEPARTURE FROM GUIDELINES.] A sentence imposed under subdivision 1 is a departure from the sentencing guidelines.

Subd. 4. [EARLY PROBATIONARY RELEASE.] At the time of sentencing under subdivision 1, the court may provide that after the offender has completed one-half of the sentence imposed, excluding good time, the balance of the sentence may be stayed and the offender placed on supervised probation under the probation officer of the court for the remainder of the statutory maximum period or for ten years, whichever is longer, if the commissioner of corrections certifies to the sentencing court and the prosecution that:

(1) the offender is amenable to treatment and has made sufficient progress in a sex offender treatment program available in prison to

be released to the intensive treatment program for sexual aggressives or a community sex offender treatment and reentry program; and

(2) the offender has been accepted in a program approved by the commissioner that provides treatment, aftercare, and phased reentry into the community.

The court shall impose conditions of probation which must include successful completion of treatment and aftercare in a program approved by the commissioner and any other conditions the court considered appropriate. Probation may be revoked and the stayed sentence executed in its entirety less good time if the offender fails to meet any condition of probation. The court must not dismiss the offender from probation before the sentence expires unless the court finds that the offender no longer represents a danger to public safety. The probationary portion of the sentence shall commence at the time of the commissioner's certification unless the court finds the commissioner's program for the offender provides for insufficient treatment, aftercare, or supervision upon the offender's release. The commissioner's certification must include a detailed report of the offender's course of treatment in prison and of the proposed plan for the offender's release.

Subd. 5. [COMMISSIONER OF CORRECTIONS.] The commissioner shall pay the cost of treatment and supervision of a person released under subdivision 4. This section does not require the commissioner to accept or retain an offender in a treatment program.

Sec. 11. Minnesota Statutes 1988, section 609.342, subdivision 2, is amended to read:

Subd. 2. [PENALTY.] Except as otherwise provided in section 15, a person convicted under subdivision 1 may be sentenced to imprisonment for not more than 20 25 years or to a payment of a fine of not more than \$35,000 \$40,000, or both.

Sec. 12. Minnesota Statutes 1988, section 609.343, subdivision 2, is amended to read:

Subd. 2. [PENALTY.] Except as otherwise provided in section 15, a person convicted under subdivision 1 may be sentenced to imprisonment for not more than 45 20 years or to a payment of a fine of not more than \$30,000 \$35,000, or both.

Sec. 13. Minnesota Statutes 1988, section 609.344, subdivision 2, is amended to read:

Subd. 2. [PENALTY.] Except as otherwise provided in section 15,

a person convicted under subdivision 1 may be sentenced to imprisonment for not more than ~~ten~~ 15 years or to a payment of a fine of not more than ~~\$20,000~~ \$30,000, or both.

Sec. 14. Minnesota Statutes 1988, section 609.345, subdivision 2, is amended to read:

Subd. 2. [PENALTY.] A person convicted under subdivision 1 may be sentenced to imprisonment for not more than ~~five ten~~ years or to a payment of a fine of not more than ~~\$10,000~~ \$20,000, or both.

Sec. 15. Minnesota Statutes 1988, section 609.346, is amended to read:

#### 609.346 [SUBSEQUENT OFFENSES.]

Subdivision 1. [DEFINITION; CONVICTION OF OFFENSE.] For purposes of this section, the term "offense" means a completed offense or an attempt to commit an offense.

Subd. 2. [SUBSEQUENT OFFENSE; PENALTY.] Except as otherwise provided in subdivision 3a, if a person is convicted of a second or subsequent offense under sections 609.342 to 609.345 within 15 years of the prior conviction, the court shall commit the defendant to the commissioner of corrections for imprisonment for a term of not less than three years, nor more than the maximum sentence provided by law for the offense for which convicted, notwithstanding the provisions of sections 242.19, 243.05, 609.11, 609.12 and 609.135. The court may stay the execution of the sentence imposed under this ~~section~~ subdivision only if it finds that a professional assessment indicates the offender is accepted by and can respond to treatment at a long-term inpatient program exclusively treating sex offenders and approved by the commissioner of corrections. If the court stays the execution of a sentence, it shall include the following as conditions of probation: (1) incarceration in a local jail or workhouse; and (2) a requirement that the offender successfully complete the treatment program and aftercare as directed by the court.

Subd. 3. [PRIOR CONVICTIONS UNDER SIMILAR STATUTES.] For the purposes of ~~this section~~ subdivision 2, an offense is considered a second or subsequent offense if conviction of the actor for the offense follows or coincides with a conviction of the actor under sections 609.342 to 609.345 or under any similar statute of the United States, or this or any other state.

Subd. 3a. [THIRD CONVICTION; MANDATORY LIFE SENTENCE.] A person who is convicted of violating section 609.342, 609.343, or 609.344 shall be sentenced to imprisonment for life if:

(1) the person has two prior convictions under section 609.342, 609.343, or 609.344 or under any similar statute of the United States, or this or any other state;

(2) the person committed the second criminal sexual conduct offense after having been convicted of and sentenced for the first criminal sexual conduct offense; and

(3) the person committed the current criminal sexual conduct offense after having been convicted of and sentenced for the second criminal sexual conduct offense.

Sec. 16. [609.3461] [DNA ANALYSIS OF SEX OFFENDERS REQUIRED.]

When a court sentences a person convicted of violating or attempting to violate section 609.342, 609.343, 609.344, or 609.345, it shall order the person to provide a biological specimen for the purpose of DNA analysis as defined in section 8. The biological specimen or the results of the analysis shall be maintained by the bureau of criminal apprehension as provided in section 8.

Sec. 17. [634.25] [ADMISSIBILITY OF RESULTS OF DNA ANALYSIS.]

In a civil or criminal trial or hearing, the results of DNA analysis, as defined in section 8, are admissible in evidence without antecedent expert testimony that DNA analysis provides a trustworthy and reliable method of identifying characteristics in an individual's genetic material upon a showing that the offered testimony meets the standards for admissibility set forth in the Rules of Evidence.

Sec. 18. [634.26] [STATISTICAL PROBABILITY EVIDENCE.]

In a civil or criminal trial or hearing, statistical population frequency evidence, based on genetic or blood test results, is admissible to demonstrate the fraction of the population that would have the same combination of genetic markers as was found in a specific human biological specimen. "Genetic marker" means the various blood types or DNA types that an individual may possess.

Sec. 19. [CHILD PROTECTION SYSTEM STUDY COMMISSION.]

Subdivision 1. [MEMBERSHIP.] A child protection system study commission is created consisting of five members of the house of representatives appointed by the speaker of the house and five members of the senate appointed by the senate subcommittee on subcommittees. The commission shall select from its membership a chair or co-chairs and other officers it considers necessary.

Subd. 2. [STUDIES.] The commission shall study:

(1) the current structure and operation of the child protection system at the state and county level;

(2) the current operation of the child abuse reporting act;

(3) the ways in which the child protection system can provide more effective intervention and prevention services for sexually aggressive and sexually abused children; and

(4) other ways in which the child protection system and the child abuse reporting act can be improved.

Subd. 3. [REPORT.] The commission shall report to the legislature on its findings and recommendations not later than February 15, 1990, and ceases to function after that date.

Subd. 4. [COMPENSATION.] Members of the commission must be compensated in the same manner as for other legislative meetings.

Sec. 20. [APPROPRIATIONS.]

Subdivision 1. [STATEWIDE SEXUAL VIOLENCE PREVENTION INFORMATION PROGRAM.] \$ . . . . . is appropriated from the general fund to the commissioner of corrections to be used to award grants to private advertising and public relations firms for the purpose of developing and disseminating a statewide public information program on the prevention of sexual violence, to be available until June 30, 1991.

Subd. 2. [LOCAL SEXUAL VIOLENCE PREVENTION INFORMATION PROGRAMS.] \$ . . . . . is appropriated from the general fund to the commissioner of corrections to be used to award grants to schools and other community groups for the purpose of developing and disseminating local public information programs on the prevention of sexual violence, to be available until June 30, 1991.

Subd. 3. [DNA ANALYSIS LABORATORY AND RECORDING SYSTEM.] \$ . . . . . is appropriated from the general fund to the commissioner of public safety to be used by the bureau of criminal apprehension for the following purposes:

(1) establishing and operating a laboratory to perform DNA analysis; and

(2) establishing a system for collecting and maintaining DNA analysis data and human biological specimens.

This appropriation is available until June 30, 1991.

Subd. 4. [LOCAL SEX OFFENDER TREATMENT PROGRAMS.]  
\$ . . . . . is appropriated from the general fund to the commissioner of corrections to be used to adopt standards for sex offender treatment programs in correctional facilities, to operate juvenile sex offender treatment programs, to provide appropriate aftercare for sex offenders released from state institutions, and to provide sex offender treatment at the local level for convicted sex offenders who are not committed to the custody of the commissioner of corrections. This appropriation is available until June 30, 1991.

Sec. 21. [EFFECTIVE DATE.]

Sections 1, 2, 5 to 9, and 16 to 19 are effective August 1, 1989. Sections 3, 4, and 11 to 15 are effective August 1, 1989, and apply to crimes committed on or after that date. Section 10 is effective August 1, 1989, and applies to crimes committed on or after that date, but a court may consider acts committed before the effective date in determining whether an offender is a danger to public safety under section 10, subdivision 2."

Delete the title and insert:

"A bill for an act relating to crimes; criminal sexual conduct; providing intensive sex offender treatment programs within the correctional system; providing for specialized probation and corrections agents to supervise released sex offenders; requiring the collection of data on the treatment and recidivism rates of convicted sex offenders; providing a centralized reporting system for juvenile sex offenders; requiring the bureau of criminal apprehension to develop uniform procedures for the collection and analysis of DNA evidence; providing for the admissibility of this evidence; providing for the transfer to a correctional facility of a convicted person who is also committed as a psychopathic personality; increasing penalties for criminal sexual conduct offenses; providing for life imprisonment without parole for a third criminal sexual conduct offense; permitting courts to sentence dangerous or patterned sex offenders to longer periods of incarceration and supervision; creating a legislative commission to study the child protection system; appropriating money for sex offender treatment, for the development of a DNA analysis laboratory, and for a public information campaign against sexual violence; amending Minnesota Statutes 1988, sections 244.05, subdivisions 4 and 5; 260.161, subdivision 1; 260.185, subdivision 1; 526.10; 609.342, subdivision 2; 609.343, subdivision 2; 609.344, subdivision 2; 609.345, subdivision 2; and 609.346; proposing coding for new law in Minnesota Statutes, chapters 241; 242; 299C; 609; and 634."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 417, A bill for an act relating to solid waste; establishing plans and programs to reduce waste generated, recycle waste, develop markets for recyclables, address materials that cause special problems in the waste stream, prevent, control, and abate litter, inform and educate the public on proper waste management; appropriating money; amending Minnesota Statutes 1988, sections 18B.01, by adding a subdivision; 115A.03, by adding subdivisions; 115A.072; 115A.12, subdivision 1; 115A.15, by adding subdivisions; 115A.46, subdivision 2; 115A.48, subdivision 3, and by adding subdivisions; 115A.96, subdivision 2, and by adding a subdivision; 116.07, by adding a subdivision; 116K.04, by adding a subdivision; 275.51, subdivision 1; 297A.01, subdivision 3; 297A.44, subdivision 1; 325E.115, subdivision 1; 400.08, by adding a subdivision; 473.149, subdivision 1; and 473.803, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 18B; 115A; 116C; 116J; 173; 297A; and 473.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

#### “ARTICLE 1

#### SOLID WASTE REDUCTION

Section 1. Minnesota Statutes 1988, section 115A.15, subdivision 5, is amended to read:

Subd. 5. [REPORTS.] By January 1 of each odd-numbered year, the commissioner of administration shall submit a report to the governor and to the legislative commission summarizing past activities and proposed goals of the program for the following biennium. The report shall include at least:

(1) a summary list of product and commodity purchases that contain recycled materials;

(2) the results of any performance tests conducted on recycled products and agencies' experience with recycled products used;

(3) a list of all organizations participating in and using the cooperative purchasing program; and

(4) a list of products and commodities purchased for their recyclability and of recycled products reviewed for purchase.

By July 1 of each even-numbered year the commissioner of the pollution control agency and the commissioner of public service shall submit recommendations to the commissioner regarding the operation of the program.

Sec. 2. Minnesota Statutes 1988, section 115A.15, is amended by adding a subdivision to read:

Subd. 7. [WASTE REDUCTION; PROCUREMENT MODEL.] For the purposes of reducing the amount of solid waste generated by the state and providing a model for other public and private procurement systems, the commissioner, in cooperation with the commissioner of the pollution control agency, shall develop, based on the recommendations in the study in section 7, waste reduction procurement programs, including an expanded life cycle costing system for procurement of durable and repairable items. The commissioner shall implement the program by January 1, 1992. On implementation of the model procurement system, the commissioner, in cooperation with the commissioner of the pollution control agency, shall develop and distribute informational materials for the purpose of promoting the procurement model to other public and private entities under section 6, subdivision 2.

Sec. 3. Minnesota Statutes 1988, section 115A.15, is amended by adding a subdivision to read:

Subd. 8. [RECYCLING BARRIERS.] The commissioner, together with the commissioner of public safety, shall review the barriers that limit recycling systems in buildings and address those barriers to recycling that may exist due to building, safety, and fire codes. By November 1, 1991, the commissioners shall jointly report their findings to the legislative commission on waste management, along with recommendations for legislative or administrative action to enable a comprehensive recycling system consistent with necessary safety and fire prevention concerns.

Sec. 4. Minnesota Statutes 1988, section 115A.15, is amended by adding a subdivision to read:

Subd. 9. [RECYCLED MATERIALS; PURCHASING.] The commissioner shall develop and implement a cooperative purchasing program under section 471.59 to include state agencies, local governmental units, and, where feasible, other state governments and the federal government, for the purpose of purchasing recycled

materials. By January 1, 1991, the commissioner shall develop a program to promote the cooperative purchasing program to those units of government and other persons.

Sec. 5. Minnesota Statutes 1988, section 115A.15, is amended by adding a subdivision to read:

Subd. 10. [RECYCLING GOAL.] By January 1, 1992, the commissioner shall recycle or compost at least 25 percent by weight of the solid waste generated by state offices and other operations located in the metropolitan area. The commissioner must keep records of the recycling and composting operation and share them annually with the metropolitan council and counties to assist the council and the counties in their data collection efforts.

Sec. 6. [115A.55] [SOLID WASTE REDUCTION.]

Subdivision 1. [AGENCY COORDINATION.] The agency shall develop and coordinate solid waste reduction programs to include at least public education, promotion of waste reduction, and technical and financial assistance to solid waste generators.

Subd. 2. [EDUCATION; PROMOTION; PROCUREMENT.] The agency shall include waste reduction as an element of its program of public education on waste management required under section 115A.072. The waste reduction education program must include dissemination of information and may include an award program for model waste reduction efforts. Waste reduction educational efforts must also include provision of information about and promotion of the model procurement program developed by the commissioner of administration under section 1, or any other model procurement program that results in significant waste reduction.

Subd. 3. [TECHNICAL ASSISTANCE.] The agency shall provide technical assistance to solid waste generators to enable the waste generators to implement programs or methods to reduce the amount of solid waste generated. The agency may use any means specified in section 115A.52 to provide technical assistance.

Subd. 4. [FINANCIAL ASSISTANCE.] The agency shall make loans and grants to any person for the purpose of developing and implementing projects or practices to prevent or reduce the generation of solid waste including those that involve reuse of items in their original form or procuring, using, or producing products with long useful lives. Grants may be used to fund studies needed to determine the technical and financial feasibility of a waste reduction project or practice or for the cost of implementation of a waste reduction project or practice that the agency has determined is technically and financially feasible.

In making grants or loans, the agency shall give priority to waste reduction projects or practices that have broad application in the state and that have the potential for significant reduction of the amount of waste generated.

All information developed as a result of a grant or loan shall be made available to other solid waste generators through the public information program established in subdivision 2.

The agency shall adopt rules for the administration of this program. Agency rules must prescribe the level or levels of matching funds required for grants or loans under this subdivision.

Sec. 7. [STUDY; PURCHASE AND USE OF RECYCLED MATERIALS.]

The commissioner of administration shall contract with an outside consultant for a study and evaluation of practices, procedures, and methods to ensure that state contracts and purchasing may be structured to encourage the procurement and use of recycled materials and to meet the requirements of section 1.

By January 1, 1991, the commissioner shall develop a plan and implementation strategy based on the study and shall present it, along with any proposals for legislative action, to the legislative commission on waste management.

## ARTICLE 2

### RECYCLING

Section 1. [115A.151] [STATE AND LOCAL FACILITIES.]

By July 1, 1990, a state agency or local unit of government shall:

(1) ensure that facilities under its control, from which mixed municipal solid waste is collected, have containers for at least three recyclable materials; and

(2) transfer all recyclable materials collected to a recycler.

Sec. 2. Minnesota Statutes 1988, section 115A.46, subdivision 2, is amended to read:

Subd. 2. [CONTENTS.] The plans shall describe existing collection, processing, and disposal systems, including schedules of rates and charges, financing methods, environmental acceptability, and opportunities for improvements in the systems. The plans shall

include an estimate of the land disposal capacity in acre-feet which will be needed through the year 2000, on the basis of current and projected waste generation practices. The plans shall require the most feasible and prudent reduction of the need for and practice of land disposal of mixed municipal solid waste. The plans shall address at least waste reduction, separation, and resource recovery, and shall include objectives, immediately and over specified time periods, for reducing the land disposal of mixed municipal solid waste; and shall describe proposed mechanisms for complying with the recycling requirements of section 4 and the household hazardous waste management requirements of article 4, section 8. The plans shall describe specific functions to be performed and activities to be undertaken to achieve the abatement objectives and shall describe the estimated cost, proposed manner of financing, and timing of the functions and activities. The plans shall include a comparison of the costs of the activities to be undertaken, including capital and operating costs, and the effects of the activities on the cost to generators and on persons currently providing solid waste collection, processing, and disposal services. The plans shall include alternatives which could be used to achieve the abatement objectives if the proposed functions and activities are not established. The plans shall designate how public education shall be accomplished. The plans shall, to the extent practicable and consistent with the achievement of other public policies and purposes, encourage ownership and operation of solid waste facilities by private industry. For solid waste facilities owned or operated by public agencies or supported primarily by public funds or obligations issued by a public agency, the plans shall include criteria and standards to protect comparable private and public facilities already existing in the area from displacement unless the displacement is required in order to achieve the waste management objectives identified in the plan. The plans shall establish a siting procedure and development program to assure the orderly location, development, and financing of new or expanded solid waste facilities and services sufficient for a prospective ten-year period, including estimated costs and implementation schedules, proposed procedures for operation and maintenance, estimated annual costs and gross revenues, and proposals for the use of facilities after they are no longer needed or usable. The plans shall describe existing and proposed county and municipal ordinances and license and permit requirements relating to solid waste management and shall describe existing and proposed regulation and enforcement procedures.

Sec. 3. Minnesota Statutes 1988, section 115A.46, is amended by adding a subdivision to read:

Subd. 4. [DELEGATION; SOLID WASTE RESPONSIBILITIES.] A county or a solid waste management district established under sections 115A.62 to 115A.72 may not delegate to another governmental unit or other person any portion of its responsibility for solid waste management unless it establishes a funding mechanism to

assure the ability of the entity to which it delegates responsibility to adequately carry out the responsibility delegated.

Sec. 4. [115A.551] [RECYCLING.]

Subdivision 1. [DEFINITION.] The definitions in this section apply to this section.

(a) "Recycling" means, in addition to the meaning given in section 115A.03, subdivision 25b, yard waste composting and recycling that occurs through mechanical or hand separation of materials that are then delivered for reuse in their original form or for use in manufacturing processes.

(b) "Total solid waste generation" means the total by weight of:

(1) materials separated for recycling;

(2) materials separated for yard waste composting; and

(3) mixed municipal solid waste plus yard waste, used oil, tires, lead acid batteries, and white goods.

Subd. 2. [COUNTY RECYCLING GOALS.] It is the goal of each county to recycle a minimum of 25 percent by weight of its annual total solid waste generation by July 1, 1993. Each county shall either develop and implement or require political subdivisions within the county to develop and implement programs, practices, or methods designed to meet its recycling goal. Nothing in this section or any other law may be construed to prohibit a county from establishing a higher recycling goal. The Western Lake Superior Sanitary District established by Laws 1971, chapter 478, as amended, shall have all of the duties, authority, and rights of a county under this section with respect to recycling and total solid waste generation within the district.

Subd. 3. [INTERIM GOALS; NONMETROPOLITAN COUNTIES.] The agency shall establish interim recycling goals for the nonmetropolitan counties to assist them in meeting the 1993 goal.

Subd. 4. [INTERIM MONITORING.] The agency, for the nonmetropolitan counties, and the metropolitan council, for the metropolitan counties, shall monitor the progress of the counties toward meeting the recycling goal in subdivision 2 and shall report to the legislative commission on waste management on the progress of the counties by November 1 of each year. If the agency or the council finds that a county is not progressing toward the goal in subdivision 2, it shall negotiate with the county to develop and implement solid waste management techniques designed to assist the county in

meeting the goal, such as organized collection, curbside collection of source-separated materials, and volume-based pricing.

Subd. 5. [FAILURE TO MEET GOAL.] If, based on the recycling monitoring described in subdivision 4, the agency or the metropolitan council finds that a county will be unable to meet the recycling goal established in subdivision 2, the agency or council shall, after consideration of the reasons for the county's inability to meet the goal, recommend legislation for consideration by the legislative commission on waste management to establish mandatory recycling standards and to authorize the agency or council to mandate appropriate solid waste management techniques designed to meet the standards in those counties that are unable to meet the goal.

Subd. 6. [COUNTY AND DISTRICT SOLID WASTE PLANS.] Each county and the Western Lake Superior Sanitary District shall include in its solid waste management plan described in section 115A.46, or its solid waste master plan described in section 473.803, a plan for implementing the recycling goal established in subdivision 2 along with mechanisms for providing financial incentives to solid waste generators to reduce the amount of waste generated and to separate recyclable materials from the waste stream. The recycling plan must include detailed recycling implementation information to form the basis for the strategy required in subdivision 7.

Each county required to submit its plan to the agency under section 115A.46 shall amend its plan to comply with this subdivision within one year after the effective date of this section.

Subd. 7. [RECYCLING IMPLEMENTATION STRATEGY.] Within one year of agency approval of the portion of the plan required in subdivision 6, each nonmetropolitan county shall submit for agency approval a local recycling implementation strategy. The local recycling implementation strategy must:

(1) be consistent with the approved county solid waste management plan;

(2) identify the materials that are being and will be recycled in the county to meet the goals under this section and the parties responsible and methods for recycling the material; and

(3) define the need for funds to ensure continuation of local recycling, methods of raising and allocating such funds, and permanent sources and levels of local funding for recycling.

Subd. 8. [EMERGENCY RULEMAKING.] The agency may adopt emergency rules implementing subdivision 6 and article 4, section 8.

Sec. 5. [115A.555] [RECYCLING CENTER DESIGNATION.]

The commissioner shall designate recycling centers for the purpose of section 9. To be designated as a recycling center, a recycling facility must be open a minimum of 12 operating hours each week, 12 months each year, and must accept for recycling at least three different materials such as paper, glass, and metal.

Sec. 6. [115A.557] [COUNTY WASTE REDUCTION AND RECYCLING; FUNDING.]

Subdivision 1. [DISTRIBUTION; FORMULA.] Any funds appropriated to the agency for the purpose of distribution to counties under this section must be annually distributed by the agency to eligible counties according to the following formula. Fifty percent must be equally distributed among all eligible counties and 50 percent must be distributed based on each county's proportion of the total state population.

Subd. 2. [PURPOSES FOR WHICH MONEY MAY BE SPENT.] A county receiving money distributed by the agency under this section may use the money only for the development and implementation of programs to:

- (1) reduce the amount of solid waste generated;
- (2) recycle the maximum amount of solid waste technically feasible;
- (3) create and support markets for recycled products;
- (4) remove problem materials from the solid waste stream and develop proper disposal options for them;
- (5) inform and educate all sectors of the public about proper solid waste management procedures;
- (6) provide technical assistance to public and private entities to ensure proper solid waste management; and
- (7) provide educational, technical, and financial assistance for litter prevention.

Subd. 3. [ELIGIBILITY TO RECEIVE MONEY.] (a) To be eligible to receive money distributed by the agency under this section, a county shall within one year of the effective date of this section:

- (1) create a separate account in its general fund in which to deposit the money; and

(2) set up accounting procedures to ensure that money in the separate account is spent only for the purposes in subdivision 2.

(b) In each following year, each county shall also:

(1) have in place an approved solid waste management plan or master plan including a recycling implementation strategy under section 4, subdivision 7, or section 473.803, subdivision 1e, and a household hazardous waste management plan under article 4, section 7, by the dates specified in those provisions; and

(2) submit a report by August 1 of each year to the agency detailing how the money was spent and the resulting gains achieved in solid waste management practices during the previous fiscal year.

Subd. 4. [REPORT.] By November 1 of each year, the agency shall report on how the money was spent and the resulting statewide improvements in solid waste management to the house and senate appropriations and finance committees and the legislative commission on waste management.

Subd. 5. [WESTERN LAKE SUPERIOR SANITARY DISTRICT.] For the purposes of this section, the Western Lake Superior Sanitary District, established by Laws 1971, chapter 478, as amended, shall have all of the duties, authority, and rights of a county.

Sec. 7. [115A.945] [VISIBLE SOLID WASTE MANAGEMENT COSTS.]

Any political subdivision that provides or pays for the costs of collection or disposal of solid waste shall, through a billing or other system, make the prorated share of those costs for each solid waste generator visible and obvious to the generator.

Sec. 8. Minnesota Statutes 1988, section 116K.04, is amended by adding a subdivision to read:

Subd. 6. [MODEL ZONING CRITERIA.] The commissioner shall, in consultation with the advisory council on state and local relations, develop and disseminate model zoning criteria for use by local units of government in siting recycling facilities.

Sec. 9. [173.086] [RECYCLING CENTER SIGNS.]

Subdivision 1. [AUTHORITY TO ERECT.] A recycling facility that has complied with the permitting rules of the pollution control agency and has been designated a recycling center by the agency under section 5 may erect a recycling center sign upon payment of a fee to the department of transportation or to the local road

authority required to cover all costs of fabrication and installation of the signs.

Subd. 2. [SIGN STANDARDS.] The department of transportation shall design and manufacture the recycling center sign to specifications not contrary to other federal and state highway sign standards. The sign must contain the international three arrow recycling symbol followed by the words "recycling center."

Subd. 3. [LOCATION.] Each local road authority shall permit recycling center signs to be located on roads, excluding freeways, in its jurisdiction, subject to sign placement and distance requirements of the local authority in conformance with standard policies for placement of signs for other traffic generators.

Sec. 10. Minnesota Statutes 1988, section 400.08, is amended by adding a subdivision to read:

Subd. 5. [VARIABLE RATES; AUTHORITY.] A county may:

(1) charge or may require any person who collects solid waste in the county to charge solid waste generators rates for collection or disposal that vary depending on the volume or weight of waste generated;

(2) require collectors to provide financial incentives to solid waste generators who separate recyclable materials from their waste; or

(3) require use of any other mechanism to provide encouragement or rewards to solid waste generators who reduce their waste generation or who separate recyclable materials from their waste.

Notwithstanding any other law to the contrary, the Western Lake Superior Sanitary District may amend its solid waste management plan to require that the cities contained within the district require variable rates under clauses (1) to (3).

Sec. 11. Minnesota Statutes 1988, section 473.149, subdivision 1, is amended to read:

Subdivision 1. [POLICY PLAN; GENERAL REQUIREMENTS.] The metropolitan council shall prepare and by resolution adopt as part of its development guide a long range policy plan for solid waste management in the metropolitan area. When adopted, the plan shall be followed in the metropolitan area. The plan shall address the state policies and purposes expressed in section 115A.02. The plan shall substantially conform to all policy statements, purposes, goals, standards, maps and plans in development guide sections and plans adopted by the council, provided that no land shall be thereby excluded from consideration as a solid waste facility site except land

determined by the agency to be intrinsically unsuitable for such use. The plan shall include goals and policies for solid waste management, including recycling consistent with section 4 and household hazardous waste management consistent with article 4, section 8, in the metropolitan area and, to the extent appropriate, statements and information similar to that required under section 473.146, subdivision 1. The plan shall include criteria and standards for solid waste facilities and solid waste facility sites respecting the following matters: general location; capacity; operation; processing techniques; environmental impact; effect on existing, planned, or proposed collection services and waste facilities; and economic viability. The plan shall, to the extent practicable and consistent with the achievement of other public policies and purposes, encourage ownership and operation of solid waste facilities by private industry. For solid waste facilities owned or operated by public agencies or supported primarily by public funds or obligations issued by a public agency, the plan shall include additional criteria and standards to protect comparable private and public facilities already existing in the area from displacement unless the displacement is required in order to achieve the waste management objectives identified in the plan. In developing the plan the council shall consider the orderly and economic development, public and private, of the metropolitan area; the preservation and best and most economical use of land and water resources in the metropolitan area; the protection and enhancement of environmental quality; the conservation and reuse of resources and energy; the preservation and promotion of conditions conducive to efficient, competitive, and adaptable systems of waste management; and the orderly resolution of questions concerning changes in systems of waste management. Criteria and standards for solid waste facilities shall be consistent with rules adopted by the pollution control agency pursuant to chapter 116 and shall be at least as stringent as the guidelines, regulations, and standards of the federal environmental protection agency.

Sec. 12. Minnesota Statutes 1988, section 473.803, subdivision 1, is amended to read:

Subdivision 1. [COUNTY MASTER PLANS; GENERAL REQUIREMENTS.] Each metropolitan county, following adoption or revision of the council's solid waste policy plan and in accordance with the dates specified therein, and after consultation with all affected local government units, shall prepare and submit to the council for its approval, a county solid waste master plan to implement the policy plan. The master plan shall be revised and resubmitted at such times as the council's policy plan may require. The master plan shall describe county solid waste activities, functions, and facilities; the existing system of solid waste generation, collection, and processing, and disposal within the county; proposed mechanisms for complying with the recycling requirements of section 4 and the household hazardous waste management requirements of article 4, section 8; existing and proposed county and

municipal ordinances and license and permit requirements relating to solid waste facilities and solid waste generation, collection, and processing, and disposal; existing or proposed municipal, county, or private solid waste facilities and collection services within the county together with schedules of existing rates and charges to users and statements as to the extent to which such facilities and services will or may be used to implement the policy plan; and any solid waste facility which the county owns or plans to acquire, construct, or improve together with statements as to the planned method, estimated cost and time of acquisition, proposed procedures for operation and maintenance of each facility; an estimate of the annual cost of operation and maintenance of each facility; an estimate of the annual gross revenues which will be received from the operation of each facility; and a proposal for the use of each facility after it is no longer needed or usable as a waste facility. The master plan shall, to the extent practicable and consistent with the achievement of other public policies and purposes, encourage ownership and operation of solid waste facilities by private industry. For solid waste facilities owned or operated by public agencies or supported primarily by public funds or obligations issued by a public agency, the master plan shall contain criteria and standards to protect comparable private and public facilities already existing in the area from displacement unless the displacement is required in order to achieve the waste management objectives identified in the plan.

#### Sec. 13. [SAFETY GUIDE.]

The agency, in cooperation with the council, shall prepare and distribute to all interested persons a guide for operation of a recycling or yard waste composting facility to protect the environment and public health.

#### Sec. 14. [SOLID WASTE COMPOSITION STUDY.]

The agency, in cooperation with the council, shall study and comprehensively analyze the composition of solid waste on a state-wide and regional basis during each of the four seasons of the year. The study must include and not duplicate existing waste composition information previously gathered and must provide information on recyclables and noncombustibles in the waste, generation of the waste, and other solid waste characteristics. The agency and council shall jointly present their findings to the legislative commission on waste management by November 1, 1991.

### ARTICLE 3

#### RECYCLING MARKET DEVELOPMENT

Section 1. Minnesota Statutes 1988, section 115A.12, subdivision 1, is amended to read:

Subdivision 1. [SOLID AND HAZARDOUS WASTE MANAGEMENT.] (a) The chair of the board shall establish a solid waste management advisory council and a hazardous waste management planning council broadly representative of the geographic areas and interests of the state.

(b) The solid waste council shall have not less than nine nor more than 18 21 members each. The membership of the solid waste council shall consist of one-third citizen representatives, one-third representatives from local government units, and one-third representatives from private solid waste management firms. The solid waste council shall contain at least three members experienced in the private recycling industry and at least one member experienced in each of the following areas: state and municipal finance; solid waste collection, processing, and disposal; and solid waste reduction and resource recovery.

(c) The hazardous waste council shall have not less than nine nor more than 18 members. The membership of the hazardous waste advisory council shall consist of one-third citizen representatives, one-third representatives from local government units, and one-third representatives of hazardous waste generators and private hazardous waste management firms.

(d) The chairs of the advisory councils shall be appointed by the chair of the board. The chair of the board shall provide administrative and staff services for the advisory councils. The advisory councils shall have such duties as are assigned by law or the chair of the board. The solid waste advisory council shall make recommendations to the board on its solid waste management activities. The hazardous waste advisory council shall make recommendations to the board on its activities under sections 115A.08, 115A.09, 115A.10, 115A.11, 115A.20, 115A.21, and 115A.24. Members of the advisory councils shall serve without compensation but shall be reimbursed for their reasonable expenses as determined by the chair of the board. The solid waste management advisory council and the hazardous waste management planning council expire as provided in section 15.059, subdivision 5.

Sec. 2. Minnesota Statutes 1988, section 115A.48, subdivision 3; is amended to read:

Subd. 3. [PUBLIC PROCUREMENT.] The board shall provide technical assistance and advice to political subdivisions and other public agencies to encourage solid waste reduction and development of markets for recyclable materials and compost through procurement policies and practices. Political subdivisions, educational institutions, and other public agencies shall aggressively pursue procurement practices that encourage solid waste reduction, recycling, and development of markets for recyclable materials and

compost and shall, whenever practical, procure products containing recycled materials.

Sec. 3. Minnesota Statutes 1988, section 115A.48, is amended by adding a subdivision to read:

Subd. 4. [RECYCLING TRANSPORTATION SYSTEM.] The agency shall, in consultation with local government units and other interested persons, develop a cooperative and comprehensive program to enhance existing systems to transport recyclable materials to market. The agency must begin implementation by September 1, 1990.

Sec. 4. Minnesota Statutes 1988, section 115A.48, is amended by adding a subdivision to read:

Subd. 5. [MARKET DEVELOPMENT PROJECTS.] (a) The agency shall make grants and loans and shall provide technical assistance to persons for research and development or for the acquisition and betterment of projects that develop markets or end uses for recyclable materials. The agency may use any means specified in section 115A.52 to provide technical assistance.

(b) A project may receive a loan for up to 50 percent of the capital cost of the project or \$2,000,000, whichever is less.

(c) A project may receive a grant for up to 25 percent of the capital cost of the project or \$500,000, whichever is less.

(d) The agency shall adopt rules for the program.

Sec. 5. [116J.99] [SOLID WASTE RECYCLING; PRIORITY IN GRANTING ASSISTANCE.]

Whenever practical, the commissioner, in approving grants under this chapter, shall place a priority on those businesses or projects that recycle solid waste, transport recyclable materials, or develop end uses or markets for recyclable materials. For the purposes of this section, the terms "solid waste" and "recyclable materials" have the meanings given them in section 115A.03.

#### ARTICLE 4

#### PROBLEM MATERIALS

Section 1. Minnesota statutes 1988, section 18B.01, is amended by adding a subdivision to read:

Subd. 24a. [RETURNABLE CONTAINER.] "Returnable container" means a container for distributing pesticides that enables the empty container and unused pesticide product to be returned to the distributor, manufacturer, or packager and facilitates the refilling or reuse of the container. Returnable container includes bulk, minibulk, or dedicated containers designed to protect the integrity of the pesticide and prevent contamination through the introduction of unauthorized materials.

Sec. 2. [18B.141] [SALE OF PESTICIDES IN RETURNABLE CONTAINERS AND MANAGEMENT OF UNUSED PORTIONS.]

(a) After July 1, 1994, no person shall distribute, offer for sale, or sell any pesticide product in containers that do not:

(1) accommodate the return of the empty container and any unused portion of the pesticide to the seller, distributor, or registrant; and

(2) facilitate the refilling or reusing of the pesticide container.

(b) After July 1, 1994, a person distributing, offering for sale, or selling any pesticide in returnable containers shall accept from any pesticide end user empty returnable pesticide containers and any unused portion of pesticide that remains in the original container if the pesticide was purchased after July 1, 1994.

(c) Pesticide products packaged solely for household use are exempt from the requirements of this section.

(d) The commissioner may adopt rules to implement this section including procedures and standards prescribing the exemption of certain pesticide products and pesticide containers.

Sec. 3. Minnesota Statutes 1988, section 115A.03, is amended by adding a subdivision to read:

Subd. 24a. [PROBLEM MATERIAL.] "Problem material" means a material that, when it is processed or disposed of with mixed municipal solid waste, contributes to one of the following results:

(1) the release of a hazardous substance, or pollutant or contaminant, as defined in section 115B.02, subdivisions 8, 13, and 15;

(2) pollution of water as defined in section 115.01, subdivision 5;

(3) air pollution as defined in section 116.06, subdivision 3; or

(4) a significant threat to the safe or efficient operation of a solid waste processing facility.

Sec. 4. Minnesota Statutes 1988, section 115A.03, is amended by adding a subdivision to read:

Subd. 38. [WHITE GOODS.] "White goods" means major household appliances including household clothes washers and dryers, dishwashers, hot water heaters, garbage disposals, trash compactors, conventional ovens, ranges or stoves, air conditioners, refrigerators, and freezers.

Sec. 5. [115A.952] [RETAIL SALE OF PROBLEM MATERIALS; UNIFORM LABELING AND CONSUMER INFORMATION.]

Subdivision 1. [DUTIES OF AGENCY; RULES.] The agency shall adopt rules to identify products used primarily for personal, family, or household purposes that constitute a problem material or contain a problem material as defined in section 3. The rules must also prescribe a uniform label to be used by retailers of identified products as provided in subdivision 3. The rules must identify products that constitute a problem material or contain a problem material from at least the following categories:

(1) drain cleaners, oven cleaners, and wood and metal cleaners and polishes;

(2) automotive fuel additives, grease and rust solvents, carburetor and fuel injection cleaners, and starter fluids;

(3) herbicides, insecticides, fungicides, and wood preservatives;

(4) paint and paint thinners, paint strippers, and adhesives; or

(5) nickel-cadmium batteries and products containing nickel-cadmium batteries.

The agency may adopt rules to identify additional products that meet the criteria provided in this subdivision.

Subd. 2. [PREPARATION AND SUPPLY OF MATERIALS.] The agency shall prepare and supply to retailers, without charge to the retailers, the labels and informational materials required to comply with subdivision 3. Informational materials must include specific instructions on environmentally sound ways to use identified products and to handle them when the products or their containers are discarded.

Subd. 3. [DUTIES OF RETAILERS.] A person who sells or offers for sale at retail any product that is identified pursuant to rules of the agency adopted under subdivision 1 shall:

(1) affix a uniform label as prescribed by the rules in a prominent location upon or near the display area of the product. If the adjacent display area is a shelf, the label shall be affixed to the price information for the product on the shelf. The label shall not be directly affixed to any product; and

(2) maintain and prominently display informational materials supplied by the agency at the location where identified products covered by the materials are sold or offered for sale.

Sec. 6. [115A.954] [WHITE GOODS.]

A person may not place white goods in mixed municipal solid waste or dispose of white goods in a solid waste processing or disposal facility after January 1, 1990. The agency may enforce this section pursuant to section 115.071.

Sec. 7. Minnesota Statutes 1988, section 115A.96, subdivision 2, is amended to read:

Subd. 2. [MANAGEMENT PROGRAM.] The agency shall establish a statewide program to manage household hazardous wastes. The program must include:

- (1) the establishment and operation of collection sites; and
- (2) the provision of information, education, and technical assistance regarding proper management of household hazardous wastes.

The agency shall report on its progress on establishing permanent collection sites to the legislative commission on waste management by November 1, 1991.

Sec. 8. Minnesota Statutes 1988, section 115A.96, is amended by adding a subdivision to read:

Subd. 6. [HOUSEHOLD HAZARDOUS WASTE MANAGEMENT PLANS.] Each county shall include in its solid waste management plan required in section 115A.46 or its solid waste master plan required in section 473.803 a household hazardous waste management plan. The plan must at least:

- (1) include a broad based public education component;
- (2) include a strategy for reduction of household hazardous waste; and
- (3) address separation of household hazardous waste from mixed municipal solid waste and the collection, storage, and disposal of that waste.

Each county required to submit its plan to the agency under section 115A.46 shall amend its plan to comply with this subdivision within one year after the effective date of this section.

Each county in the state shall implement its household hazardous waste management plan by December 31, 1991.

Sec. 9. Minnesota Statutes 1988, section 116.07, is amended by adding a subdivision to read:

Subd. 4j. [HOUSEHOLD HAZARDOUS WASTE MANAGEMENT.] The agency shall adopt rules to require the owner or operator of a solid waste disposal facility or resource recovery facility to submit a management plan for the separation of household hazardous waste from solid waste prior to disposal or processing and for the proper disposal of such waste. After January 1, 1991, the agency may not grant or renew a permit for a facility that has not submitted a household hazardous waste management plan.

Sec. 10. Minnesota Statutes 1988, section 325E.115, subdivision 1, is amended to read:

Subdivision 1. [SURCHARGE; COLLECTION; NOTICE.] (a) A person selling lead acid batteries at retail or offering lead acid batteries for retail sale in this state shall:

(1) accept, at the point of transfer, lead acid batteries from customers; and

(2) charge a fee of \$5 per battery sold unless the customer returns a used battery to the retailer; and

(3) post written notice, which must be at least 8½ inches by 11 inches in size and must contain the universal recycling symbol and the following language:

(i) "It is illegal to put a motor vehicle battery in the garbage.";

(ii) "Recycle your used batteries."; and

(iii) "State law requires us to accept motor vehicle batteries for recycling."

(b) Any person selling lead acid batteries at wholesale or offering lead acid batteries for sale at wholesale must accept, at the point of transfer, lead acid batteries from customers.

Sec. 11. [473.804] [HOUSEHOLD HAZARDOUS WASTE MANAGEMENT.]

By December 31, 1991, each metropolitan county shall develop and implement a permanent program to manage household hazardous waste. Each program must include at least monthly collection of wastes. Each program must be consistent with the council's policy plan and must be described as part of each county's solid waste master plan revision as required under section 473.803, subdivision 1.

**Sec. 12. [MANAGEMENT AND DISPOSAL STUDY.]**

The agency shall conduct a study of the proper management and disposal of waste paint; polychlorinated biphenyl capacitors less than or equal to three pounds contained in white goods, as defined in section 4, and in other electrical devices; and household water and automotive filters that collect pollutants or contaminants. The agency shall report its findings together with any recommendations for legislation to the legislative commission on waste management by November 1, 1990.

**Sec. 13. [PESTICIDE CONTAINER COLLECTION AND RECYCLING PILOT PROJECT.]**

Subdivision 1. [PESTICIDE; DEFINITION.] For the purposes of this section, "pesticide" means a substance or mixture of substances intended to prevent, destroy, repel, or mitigate a pest, and a substance or mixture of substances intended for use as a plant regulator, defoliant, or desiccant.

Subd. 2. [PROJECT.] The department of agriculture, in consultation and cooperation with the commissioner of the pollution control agency, shall design and implement a pilot collection project, to be completed by June 30, 1991, to:

- (1) collect and recycle empty, triple-rinsed pesticide containers;
- (2) develop, demonstrate, and promote proper pesticide container management; and
- (3) evaluate the current pesticide container management methods and the cause and extent of the problems associated with pesticide containers.

Subd. 3. [COLLECTION AND DISPOSAL.] The department of agriculture shall provide for the establishment and operation of temporary collection sites for pesticide containers. The department of agriculture may limit the type and quantity of pesticide containers acceptable for collection.

Subd. 4. [INFORMATION AND EDUCATION.] The department

of agriculture shall develop informational and educational materials to promote proper methods of pesticide container management.

Subd. 5. [REPORT.] During the pilot project, the department of agriculture shall conduct surveys and collect information on proper and improper pesticide container storage and disposal. By November 30, 1991, the department of agriculture shall report to the legislature its conclusions from the project and recommendations for additional legislation or rules governing management of pesticide containers.

Subd. 6. [MANAGEMENT AND DISPOSAL.] The department of agriculture or other entity collecting pesticide containers must manage and dispose of the containers in compliance with applicable federal and state requirements.

## ARTICLE 5

### LITTER

#### Section 1. [115A.99] [LITTER; CIVIL PENALTY.]

Any person who unlawfully places any portion of solid waste in or on public or private lands, shorelands, roadways, or waters is subject to a civil penalty of not less than twice nor more than five times the amount of cost incurred by any governmental agency or political subdivision to remove, process, and dispose of the waste. A governmental agency or political subdivision that incurs cost as described in this section may bring an action to recover the civil penalty, any related legal, administrative, and court costs, and damages for injury to or pollution of the lands, shorelands, roadways, or waters where the waste was placed if owned or managed by the entity bringing the action.

Civil penalties paid under this section must be deposited in the general fund of the jurisdiction enforcing the penalties.

If the property where waste was unlawfully placed was owned by a private person, that person, in order to recover damages for injury to the property, may join any action to recover a civil penalty brought under this section.

#### Sec. 2. [115A.991] [LITTER; GRANTS.]

The agency may make grants to each county that has included in its solid waste plan required in section 115A.46, or its solid waste master plan required in section 473.803, programs to prevent, control, or abate litter. The agency shall establish eligibility criteria

for grants including the required level of matching funds from applicants.

Sec. 3. [116C.36] [LITTER PREVENTION; CONTROL; ABATEMENT.]

Subdivision 1. [DUTIES OF BOARD.] The board shall coordinate state and local efforts to prevent, control, and abate litter through an interagency committee described in subdivision 2. By November 1, 1991, the board shall report to the pollution control agency on the problems of litter prevention, control, and abatement including the advisability of creating a permanent statewide system for state and local programs and coordination to address litter and shall also report its findings, together with its recommendations for legislation to address those problems, to the governor.

Subd. 2. [ADVISORY COMMITTEE.] An advisory committee is created to advise the board on litter prevention, control, and abatement. The advisory committee will include the following officials or their designees: the commissioner of corrections, the commissioner of natural resources, the commissioner of public safety, the commissioner of education, the commissioner of the pollution control agency, the commissioner of transportation, and the commissioner of trade and economic development. The chair of the board shall appoint additional members of the task force to represent counties, cities, and towns. Not more than two members may be appointed to represent each level of government. The chair may appoint additional members representing other state agencies or political subdivisions other than counties, cities, and towns.

The advisory committee shall coordinate state and local efforts to prevent, control, and abate litter. By June 30, 1990, the advisory committee shall study litter problems in the state and report its findings, together with any proposals for legislation, to the board. The advisory committee expires July 1, 1990.

## ARTICLE 6

### WASTE EDUCATION

Section 1. Minnesota Statutes 1988, section 115A.072, is amended to read:

#### 115A.072 [PUBLIC EDUCATION ON WASTE MANAGEMENT.]

Subdivision 1. [WASTE EDUCATION; COALITION.] The board shall provide for the development and implementation of a program of general public education on waste management in cooperation and coordination with the pollution control agency, metropolitan

council, department of education, department of agriculture, state planning agency, environmental quality board, environmental education board, educational institutions, and other public agencies with responsibility for waste management or public education, and three other persons who represent private industry and who have knowledge of or expertise in recycling and solid waste management issues. The objectives of the program are to: develop increased public awareness of and interest in environmentally sound waste management methods; encourage better informed decisions on waste management issues by business, industry, local governments, and the public; and disseminate practical information about ways in which households and other institutions and organizations can improve the management of waste.

The commissioner shall appoint an advisory task force, to be called the waste education coalition, of up to 18 members to advise the agency in carrying out its responsibilities under this section and whose membership represents the agencies and entities listed in this subdivision.

Subd. 2. [AGENCY DUTIES.] In addition to its general duties established in subdivision 1, the agency shall:

(1) develop a statewide waste management public education campaign with materials that may be easily adapted by political subdivisions to meet their program needs; and

(2) develop and make available to schools educational curricula on waste education for grades kindergarten to 12 to address at least waste reduction, recycling, litter, and proper management and disposal of problem materials as defined in article 4, section 1.

Subd. 3. [EDUCATION GRANTS; MODEL SCHOOL PROGRAM.] The agency shall provide grants to persons for the purpose of developing and distributing waste education information.

The agency shall provide grants and technical assistance to formal and informal education facilities to develop and implement a model program to incorporate waste reduction, recycling, litter prevention, and proper management of problem materials into educational operations.

The agency shall provide grants or awards to formal and informal education facilities to develop or implement ongoing waste reduction, recycling, litter prevention, and proper management of problem materials programs.

Subd. 4. [COORDINATION; UNIVERSITY.] Whenever practical the agency shall request assistance from the University of Minne-

sota, and the university's extension service in developing and distributing waste education materials.

Sec. 2. [WASTE EDUCATION; CURRICULUM.]

The state board of education shall amend its rules adopted pursuant to Laws 1984, chapter 463, article 7, section 26, subdivisions 1 and 2, to require a waste education component developed pursuant to section 1, subdivision 2, clause (2), as part of the minimum comprehensive educational programs for both secondary and elementary levels. The amended rules adopted by the state board must go into effect beginning in the 1990-1991 school year.

ARTICLE 7

FUNDING

Section 1. Minnesota Statutes 1988, section 275.51, subdivision 1, is amended to read:

Subdivision 1. Notwithstanding any provisions of law or municipal charter to the contrary which authorize ad valorem levies in excess of the limitations established by sections 275.50 to 275.56, but subject to section 275.56, the provisions of this section shall apply to the levies by governmental subdivisions for all purposes other than those for which special levies and special assessments are made, and for solid waste management purposes under chapter 400.

Sec. 2. Minnesota Statutes 1988, section 297A.01, subdivision 3, is amended to read:

Subd. 3. A "sale" and a "purchase" includes, but is not limited to, each of the following transactions:

(a) Any transfer of title or possession, or both, of tangible personal property, whether absolutely or conditionally, and the leasing of or the granting of a license to use or consume tangible personal property other than manufactured homes used for residential purposes for a continuous period of 30 days or more, for a consideration in money or by exchange or barter;

(b) The production, fabrication, printing or processing of tangible personal property for a consideration for consumers who furnish either directly or indirectly the materials used in the production, fabrication, printing, or processing;

(c) The furnishing, preparing, or serving for a consideration of food, meals or drinks, not including meals or drinks served to patients, inmates, or persons residing at hospitals, sanitariums, nursing homes, senior citizens homes, and correctional, detention, and detoxification facilities, meals or drinks purchased for and

served exclusively to individuals who are 60 years of age or over and their spouses or to the handicapped and their spouses by governmental agencies, nonprofit organizations, agencies, or churches or pursuant to any program funded in whole or part through 42 USCA sections 3001 through 3045, wherever delivered, prepared or served, meals and lunches served at public and private schools, universities or colleges. "Sales" also includes meals furnished by employers to employees at less than fair market value, except meals furnished at no charge to employees of hospitals, nursing homes, boarding care homes, sanitariums, group homes, and correctional, detention, and detoxification facilities, who are required to eat with the patients, residents, or inmates residing in them. Notwithstanding section 297A.25, subdivision 2, taxable food or meals include, but are not limited to, the following:

- (i) heated food or drinks;
  - (ii) sandwiches prepared by the retailer;
  - (iii) single sales of prepackaged ice cream or ice milk novelties prepared by the retailer;
  - (iv) hand-prepared or dispensed ice cream or ice milk products including cones, sundaes, and snow cones;
  - (v) soft drinks and other beverages prepared or served by the retailer;
  - (vi) gum;
  - (vii) ice;
  - (viii) all food sold in vending machines;
  - (ix) party trays prepared by the retailers; and
  - (x) all meals and single servings of packaged snack food, single cans or bottles of pop, sold in restaurants and bars;
- (d) The granting of the privilege of admission to places of amusement, recreational areas, or athletic events and the privilege of having access to and the use of amusement devices, tanning facilities, reducing salons, steam baths, turkish baths, massage parlors, health clubs, and spas or athletic facilities;
- (e) The furnishing for a consideration of lodging and related services by a hotel, rooming house, tourist court, motel or trailer camp and of the granting of any similar license to use real property other than the renting or leasing thereof for a continuous period of 30 days or more;

(f) The furnishing for a consideration of electricity, gas, water, or steam for use or consumption within this state, or local exchange telephone service, intrastate toll service, and interstate toll service, if that service originates from and is charged to a telephone located in this state; the tax imposed on amounts paid for telephone services is the liability of and shall be paid by the person paying for the services. Sales by municipal corporations in a proprietary capacity are included in the provisions of this clause. The furnishing of water and sewer services for residential use shall not be considered a sale;

(g) The furnishing for a consideration of cable television services, including charges for basic monthly service, charges for monthly premium service, and charges for any other similar television services;

(h) Notwithstanding subdivision 4, and section 297A.25, subdivision 9, the sales of horses including claiming sales and fees paid for breeding a stallion to a mare. This clause applies to sales and fees with respect to a horse to be used for racing whose birth has been recorded by the Jockey Club or the United States Trotting Association or the American Quarter Horse Association;

(i) The furnishing for a consideration of parking services, whether on a contractual, hourly, or other periodic basis, except for parking at a meter;

(j) The furnishing for a consideration of services listed in this paragraph:

(i) laundry and dry cleaning services including cleaning, pressing, repairing, altering, and storing clothes, linen services and supply, cleaning and blocking hats, and carpet, drapery, upholstery, and industrial cleaning. Laundry and dry cleaning services do not include services provided by coin operated facilities operated by the customer;

(ii) motor vehicle washing, waxing, and cleaning services, including services provided by coin-operated facilities operated by the customer, and rustproofing, undercoating, and towing of motor vehicles;

(iii) building and residential cleaning, maintenance, and disinfecting and exterminating services;

(iv) services provided by detective agencies, security services, burglar, fire alarm, and armored car services not including services performed within the jurisdiction they serve by off-duty licensed peace officers as defined in section 626.84, subdivision 1;

(v) pet grooming services; and

(vi) lawn care, fertilizing, mowing, spraying and sprigging services; garden planting and maintenance; arborist services; tree, bush, and shrub planting, pruning, bracing, spraying, and surgery; and tree trimming for public utility lines.

The services listed in this paragraph are taxable under section 297A.02 if the service is performed wholly within Minnesota or if the service is performed partly within and partly without Minnesota and the greater proportion of the service is performed in Minnesota, based on the cost of performance. In applying the provisions of this chapter, the terms "tangible personal property" and "sales at retail" include taxable services and the provision of taxable services, unless specifically provided otherwise. Services performed by an employee for an employer are not taxable under this paragraph. Services performed by a partnership or association for another partnership or association are not taxable under this paragraph if one of the entities owns or controls more than 80 percent of the voting power of the equity interest in the other entity. Services performed between members of an affiliated group of corporations are not taxable. For purposes of this section, "affiliated group of corporations" includes those entities that would be classified as a member of an affiliated group under United States Code, title 26, section 1504, and who are eligible to file a consolidated tax return for federal income tax purposes; and

(vii) solid waste collection and disposal services as described in section 4;

(k) A "sale" and a "purchase" includes the transfer of computer software, meaning information and directions that dictate the function performed by data processing equipment. A "sale" and a "purchase" does not include the design, development, writing, translation, fabrication, lease, or transfer for a consideration of title or possession of a custom computer program; and

(l) The granting of membership in a club, association, or other organization if:

(1) the club, association, or other organization makes available for the use of its members sports and athletic facilities (without regard to whether a separate charge is assessed for use of the facilities); and

(2) use of the sports and athletic facilities is not made available to the general public on the same basis as it is made available to members.

Granting of membership includes both one-time initiation fees and periodic membership dues. Sports and athletic facilities include golf courses, tennis, racquetball, handball and squash courts, basketball and volleyball facilities, running tracks, exercise equipment, swimming pools, and other similar athletic or sports facilities. The

provisions of this paragraph do not apply to camps or other recreation facilities owned and operated by an exempt organization under section 501(c)(3) of the Internal Revenue Code of 1986, as amended through December 31, 1986, for educational and social activities for young people primarily age 18 and under.

Sec. 3. Minnesota Statutes 1988, section 297A.44, subdivision 1, is amended to read:

Subdivision 1. (a) Except as provided in paragraphs (b) and (c), and (d) all revenues, including interest and penalties, derived from the excise and use taxes imposed by sections 297A.01 to 297A.44 shall be deposited by the commissioner in the state treasury and credited to the general fund.

(b) All excise and use taxes derived from sales and use of property and services purchased for the construction and operation of an agricultural resource project, from and after the date on which a conditional commitment for a loan guaranty for the project is made pursuant to section 41A.04, subdivision 3, shall be deposited in the Minnesota agricultural and economic development fund. The commissioner of finance shall certify to the commissioner the date on which the project received the conditional commitment. The amount deposited in the loan guaranty fund shall be reduced by any refunds and by the costs incurred by the department of revenue to administer and enforce the assessment and collection of the taxes.

(c) All revenues, including interest and penalties, derived from the excise and use taxes imposed on sales and purchases included in section 297A.01, subdivision 3, paragraphs (d) and (l), clauses (1) and (2), must be deposited by the commissioner of revenue in a separate and special fund, designated as the sports and health club sales tax revenue fund in the state treasury and credited as follows:

(1) first to the general obligation special tax bond debt service account in each fiscal year the amount required by section 16A.661, subdivision 3, paragraph (b); and

(2) after the requirements of clause (1) have been met, the balance must be credited to the general fund.

(d) All revenues, including interest and penalties, derived from the taxes imposed on solid waste collection services as described in section 4 and the additional taxes imposed on problem materials in section 5 shall be deposited by the commissioner in the state treasury and credited to a solid waste reduction and recycling account.

Sec. 4. [297A.45] [SOLID WASTE COLLECTION AND DISPOSAL SERVICES.]

Subdivision 1. [APPLICATION.] The tax imposed by section 297A.02 applies to all public and private mixed municipal solid waste collection and disposal services. Notwithstanding section 297A.25, subdivision 11, a political subdivision that purchases collection or disposal services on behalf of its citizens shall pay the tax. A political subdivision that provides collection or disposal services to its citizens without direct charge to the citizens for the service shall pay the tax based on the cost to the political subdivision of providing the service. A person who transports mixed municipal solid waste generated by that person or by another person without compensation shall pay the tax at the disposal or resource recovery facility based on the disposal charge or tipping fee.

Subd. 2. [EXEMPTION.] The cost of a service or the portion of a service to collect recyclable materials separated from mixed municipal solid waste by the waste generator is exempt from the tax imposed in section 297A.02.

Sec. 5. [297A.46] [PROBLEM MATERIALS; ADDITIONAL TAX.]

There is imposed an additional tax of two percent of the gross receipts from sales at retail of the following products that pose special problems when placed in the solid waste stream:

- (1) motor oil sold in containers of one gallon or less;
- (2) nickel-cadmium batteries;
- (3) all paint and paint-related products such as enamels, lacquers, stains, varnishes, polyurethanes, sealers, shellacs, and wood preservatives; and
- (4) rechargeable appliances and tools that contain nickel-cadmium batteries.

Collection and payment of the tax are governed by the provisions of this chapter.

## ARTICLE 8

### APPROPRIATIONS

Section 1. [APPROPRIATIONS.]

The following amounts are appropriated from the solid waste reduction and recycling account to the agencies and for the purposes and fiscal years specified:

	<u>1990</u>	<u>1991</u>
<u>(a) to the pollution control agency</u>		
<u>(1) for solid waste reduction programs under article 1</u>	.....	.....
<u>(2) for solid waste recycling programs under article 2</u>	.....	.....
<u>(3) for market development programs under article 3</u>	.....	.....
<u>(4) for programs to identify and manage problem materials under article 4</u>	.....	.....
<u>(5) for grants for litter prevention, control and abatement under article 5</u>	.....	.....
<u>(6) for public education under article 6</u>	.....	.....
<u>(7) for distribution to the counties for solid waste reduction and recycling under article 2, section 6</u>	.....	.....
<u>(b) to the department of administration for waste reduction, procurement, and recycling under article 1, sections 2 and 4</u>	.....	.....
<u>(c) to the department of agriculture for the pesticide activities under article 4, section 2 and 11</u>	.....	.....
<u>(d) to the state planning agency for activities related to litter under article 5</u>	.....	.....

Amounts unexpended in one fiscal year are available for expenditure in the other fiscal year."

Delete the title and insert:

"A bill for an act relating to solid waste; establishing plans and programs to reduce waste generated, recycle waste, develop markets for recyclables, address materials that cause special problems in the waste stream, prevent, control, and abate litter, inform and educate the public on proper waste management; appropriating money; amending Minnesota Statutes 1988, sections 18B.01, by adding a subdivision; 115A.03, by adding subdivisions; 115A.072; 115A.12, subdivision 1; 115A.15, subdivision 5, and by adding subdivisions; 115A.46, subdivision 2, and by adding a subdivision; 115A.48, subdivision 3, and by adding subdivisions; 115A.96, subdivision 2, and by adding a subdivision; 116.07, by adding a subdivision;

116K.04, by adding a subdivision; 275.51, subdivision 1; 297A.01, subdivision 3; 297A.44, subdivision 1; 325E.115, subdivision 1; 400.08, by adding a subdivision; 473.149, subdivision 1; and 473.803, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 18B; 115A; 116C; 116J; 173; 297A; and 473."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Education.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 484, A bill for an act relating to regional railroad authorities; permitting authorities to enter certain agreements; amending Minnesota Statutes 1988, section 398A.04, subdivision 9.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Otis from the Committee on Economic Development to which was referred:

H. F. No. 585, A bill for an act relating to employment; requiring a semiannual survey to measure underemployment of Minnesota workers; proposing coding for new law in Minnesota Statutes, chapter 268.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 268.08, subdivision 1, is amended to read:

Subdivision 1. [ELIGIBILITY CONDITIONS.] An individual shall be eligible to receive benefits with respect to any week of unemployment only if the commissioner finds that the individual:

(1) has registered for work at and thereafter has continued to report to an employment office, or agent of the office, in accordance with rules the commissioner may adopt; except that the commissioner may by rule waive or alter either or both of the requirements of this clause as to types of cases or situations with respect to which the commissioner finds that compliance with the requirements

would be oppressive or would be inconsistent with the purposes of sections 268.03 to 268.24;

(2) has made a claim for benefits in accordance with rules as the commissioner may adopt;

(3) was able to work and was available for work, and was actively seeking work. The individual's weekly benefit amount shall be reduced one-fifth for each day the individual is unable to work or is unavailable for work. Benefits shall not be denied by application of this clause to an individual who is in training with the approval of the commissioner, is a dislocated worker as defined in section 4 who is in training approved by the commissioner, or in training approved pursuant to section 236 of the Trade Act of 1974, as amended.

An individual is deemed unavailable for work with respect to any week which occurs in a period when the individual is a full-time student in attendance at, or on vacation from an established school, college, or university unless a majority of the wage credits earned in the base period were for services performed during weeks in which the student was attending school as a full-time student.

An individual serving as a juror shall be considered as available for work and actively seeking work on each day the individual is on jury duty; and

(4) has been unemployed for a waiting period of one week during which the individual is otherwise eligible for benefits under sections 268.03 to 268.24. However, payment for the waiting week, not to exceed \$20, shall be made to the individual after the individual has qualified for and been paid benefits for four weeks of unemployment in a benefit year which period of unemployment is terminated because of the individual's return to employment. No individual is required to serve a waiting period of more than one week within the one-year period subsequent to filing a valid claim and commencing with the week within which the valid claim was filed.

Sec. 2. Minnesota Statutes 1988, section 268.31, is amended to read:

#### 268.31 [DEVELOPMENT OF YOUTH EMPLOYMENT OPPORTUNITIES.]

To the extent of available funding, the commissioner of jobs and training shall establish a program to employ individuals from the ages of 14 years up to 22 years. Available money may be used to operate this program on a full calendar year basis, to provide transitional services, link basic skills training and remedial education to job training and school completion, and for support services. The amount spent on support services in any one fiscal year may not

exceed 15 percent of the total annual appropriation for this program. Individuals employed in this program will be placed in service with departments, agencies, and instrumentalities of the state, county, local governments, school districts, with nonprofit organizations, and private sector employers. The maximum number of hours that an individual may be employed in a position supported under this program is 480 hours. Program funds may not be used for private sector placements. Program operators must use the targeted jobs tax credit, other federal, state, and local government resources, as well as private sector resources to fund private sector placements. The commissioner shall cooperate with the commissioner of human services in determining and implementing the most effective means of disregarding a youth's earnings from family income for purposes of the aid to families with dependent children program, to the extent permitted by the federal government.

Upon request of the commissioner of the department of natural resources, the commissioner will contract for or provide available services for remedial skills, life skills, and career counseling activities to youth in the Minnesota conservation corps program.

The commissioner must implement an evaluation mechanism and performance standards for the services provided under this section. The mechanism must measure the effectiveness of the employment placement and the associated services in preparing participants for long-term employment. The mechanism should include a component that follows a participant's progress after the participant has completed the program to measure the long-term effectiveness of the program.

Sec. 3. Minnesota Statutes 1988, section 268.677, is amended by adding a subdivision to read:

Subd. 4. [ADDITIONAL ASSISTANCE.] Up to ten percent of the money available under this section may be used to provide wage subsidies and other services to job applicants if it is determined that the job applicant does not have the necessary job skills for placement with an eligible business or nonprofit employer. No more than 20 percent of job applicants assisted under this section may receive assistance under this subdivision. The money available under this subdivision is not subject to the allocation among employers under section 268.676, subdivision 2, or the allocation between wage subsidies and support services under subdivisions 1 and 3. The assistance provided under this subdivision may be used for:

(1) wage subsidies and fringe benefits for the employment of the eligible job applicant by an eligible employer for up to an additional 520 hours over 13 weeks;

(2) wage subsidies for the temporary employment of the eligible

job applicant in a setting where the applicant may enhance their job skills;

(3) costs of providing skill training, basic skills, and literacy training;

(4) costs of labor market orientation, job search assistance, and job seeking skills; and

(5) costs of providing other services or activities to prepare the eligible job applicant for permanent employment.

Sec. 4. [268.97] [DEFINITIONS.]

Subdivision 1. [TERMS.] For the purposes of sections 4 to 9, the following terms have the meanings given them.

Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of jobs and training.

Subd. 3. [DISLOCATED WORKER.] "Dislocated worker" means a person who:

(1) has been terminated or laid off or who has received a notice of termination or layoff from employment, is eligible for or has exhausted their entitlement to unemployment compensation, and is unlikely to return to their previous industry or occupation;

(2) has been terminated or has received a notice of termination of employment as a result of any permanent closure of or any substantial layoff at a plant, facility, or enterprise;

(3) is long-term unemployed and has limited opportunities for employment or reemployment in the same or similar occupation in the area in which the person resides, including an older person who may have substantial barriers to employment by reason of age;

(4) was self-employed, including farmers, and is unemployed as a result of general economic conditions in the community in which they reside or because of natural disasters; or

(5) is a homemaker who has been dislocated as a result of death, permanent disability, or permanent separation or divorce from a spouse, or as a result of a spouse's qualification as a dislocated worker under clause (1).

Subd. 4. [ELIGIBLE ORGANIZATION.] "Eligible organization" means a local government unit, nonprofit organization, community action agency, business organization or association, or labor organization that has applied for a prefeasibility grant under section 7.

Subd. 5. [LOCAL GOVERNMENT UNIT.] "Local government unit" means a statutory or home rule charter city, county, or town.

Subd. 6. [PLANT CLOSING.] "Plant closing" means the announced or actual permanent shutdown of a single site of employment, or one or more facilities or operating units within a single site of employment, if the shutdown results in an employment loss at the single site of employment during any 30-day period for 25 or more employees excluding any part-time employees. Plant closing also means the announced or actual permanent termination of 25 percent of the total full-time jobs at a single site whose total full-time employment is 100 or more employees.

Subd. 7. [PREFEASIBILITY STUDY GRANT; GRANT.] "Prefeasibility study grant" or "grant" means the grant awarded under section 7.

Sec. 5. [268.971] [EARLY WARNING SYSTEM.]

Subdivision 1. [EARLY WARNING INDICATORS.] The commissioner, in cooperation with the commissioners of revenue and trade and economic development, shall establish and oversee an early warning system to identify industries and businesses likely to experience large losses in employment or plant closures by collecting and analyzing information which may include, but not be limited to products and markets experiencing declining growth rates, companies and industries subject to competition from production in low wage counties, changes in ownership, layoff and employment patterns, payments of unemployment compensation contributions, and state tax payments. The commissioner may request the assistance of businesses, business organizations, and trade associations in identifying businesses, industries, and specific establishments that are likely to experience large losses in employment or plant closures. The commissioner may request information and other assistance from other state agencies for the purposes of this subdivision.

Subd. 2. [NOTICE.] The commissioner shall encourage those business establishments considering a decision to effect a closing or relocation of operations located in this state to give notice of that decision as early as possible to the commissioner, the employees of the affected establishment, any employee organization representing the employees, and the local government unit in which the affected establishment is located. This notice shall be in addition to any notice required under the Worker Adjustment and Retraining Notification Act, United States Code, title 29, section 2101.

Subd. 3. [EMPLOYER RESPONSIBILITY.] An employer providing notice of a plant closing or relocation of operations under the Worker Adjustment and Retraining Notification Act, United States Code, title 29, section 2101, or under subdivision 2 must report to

the commissioner the names, addresses, and occupations of the employees who will be or have been terminated.

Sec. 6. [268.972] [RAPID RESPONSE PROGRAM.]

The commissioner shall establish a rapid response program to assist employees, employers, business organizations or associations, labor organizations, local government units, and community organizations to quickly and effectively respond to announced or actual plant closings. The program must include or address at least the following:

(1) establish on-site contact within five working days after becoming aware of an announced or actual plant closing with the employer, employees, labor organizations if there is one representing the employees, and leaders of the local government units and community organizations to provide coordination of efforts to formulate a community-wide response to the plant closing, provide information on the public and private service and programs that might be available, inform the affected parties of the prefeasibility study grants under section 7, and collect any information required by the commissioner to assist in responding to the plant closing;

(2) provide ongoing technical assistance to employers, employees, business organizations or associations, labor organizations, local government units, and community organizations to assist them in reacting to or developing responses to plant closings;

(3) establish and administer the prefeasibility study grant program under section 7 to provide an initial assessment of the feasibility of alternatives to plant closings;

(4) work with employment and training service providers, employers, business organizations or associations, labor organizations, local government units, and community organizations in providing training, education, community support service, job search programs, job clubs, and other services to address the needs of potential or actual dislocated workers;

(5) coordinate with providers of economic development related financial and technical assistance services so that communities that are experiencing plant closings have immediate access to economic development related services; and

(6) collect and make available information on programs that might assist dislocated workers and the communities affected by plant closings.

Sec. 7. [268.973] [PREFEASIBILITY STUDIES.]

Subdivision 1. [PREFEASIBILITY STUDY GRANTS.] The commissioner may make grants for up to \$10,000 to eligible organizations to provide an initial assessment of the feasibility of alternatives to plant closings. The alternatives may include employee ownership, other new ownership, new products or production processes, or public financial or technical assistance to keep a plant open. Two or more eligible organizations may jointly apply for a grant under this section.

Interested organizations must apply to the commissioner for the grants. Applicants must provide as part of the application process a statement of need for a grant, information relating to the workforce at the plant, the area's unemployment rate, the community's and surrounding area's labor market characteristics, information of efforts to coordinate the community's response to the plant closing, a timetable of the prefeasibility study, a description of the organization applying for the grant, a description of the qualifications of persons conducting the study, and other information required by the commissioner.

The commissioner must respond to the applicant within five working days of receiving the organization's application. The commissioner must inform each organization that applied for but did not receive a grant the reasons for the grant not being awarded. The commissioner may request further information from those organizations that did not receive a grant, and the organization may reapply for the grant.

Subd. 2. [PREFEASIBILITY STUDY.] The prefeasibility study must explore the current and potential viability, profitability, and productivity of the establishment that may close and alternative uses for the establishment. The study is not to be a major examination of each possible alternative but is meant to quickly determine if further action or examination is feasible and should be explored further. The prefeasibility study must contain:

(1) a description of the establishment's present products, production techniques, management structure, and history;

(2) a brief discussion of the feasibility of the various alternatives for ownership, production technique, and products;

(3) an estimate of the financing required to keep the establishment open and the potential sources of that financing;

(4) a description of the employer's, employees', and community's efforts to maintain the operation of the establishment; and

(5) other information the commissioner may require.

Subd. 3. [REPORTS.] (a) The commissioner must report monthly to the program subcommittee of the governor's job training council on the grants made and studies completed during the previous month.

(b) The commissioner must provide an annual report to the governor, legislature, and the governor's job training council on the administration of the prefeasibility study grant program. The report must also include details of actions taken as a result of a grant.

**Sec. 8. [268.974] [DISLOCATED WORKER COORDINATION.]**

The commissioner must coordinate the actions taken by state agencies and public post-secondary educational institutions to respond to or address the specific needs of dislocated workers and to provide services to dislocated workers including education and retraining. The commissioner must also assist local government units, community groups, labor organizations, and others in coordinating their efforts in providing services to dislocated workers.

**Sec. 9. [268.975] [EVALUATION AND PERFORMANCE STANDARDS.]**

The commissioner must establish evaluation and performance standards for the programs and activities administered or funded through the rapid response program under section 6. The commissioner may use existing federal evaluation performance standards or, if the commissioner determines that the federal standards are inadequate or not suitable, may formulate new performance standards to ensure that the programs and activities of the rapid response program are effectively administered.

**Sec. 10. [268.98] [SUBEMPLOYMENT INDEX.]**

(a) The commissioner shall undertake or contract for a statewide survey conducted at least annually to calculate a subemployment index. The index must measure the number of:

(1) persons who are discouraged workers or those persons who did not look for employment because they believed that no jobs were available in their geographic area or that no jobs were available for which they could qualify;

(2) persons who wanted to work full time but either could not find full-time employment in their geographic area or had a full-time job and had their hours reduced because of conditions beyond their control; and

(3) persons who work full time but earn insufficient income as

measured by the federal poverty level or other measures of household income.

The commissioner must use federal definitions in developing the index to the greatest extent as is methodologically possible.

(b) The commissioner shall report the subemployment index to the governor and the legislature following completion of each survey. The data must be broken down by the categories contained in paragraph (a), clauses (1) to (3).

**Sec. 11. [APPROPRIATIONS; YOUTH EMPLOYMENT.]**

Subdivision 1. \$750,000 in fiscal year 1990 and \$750,000 in fiscal year 1991 is appropriated from the general fund to the commissioner of jobs and training to provide the transitional services authorized by section 2.

Subd. 2. \$260,000 in fiscal year 1990 and \$260,000 in fiscal year 1991 is appropriated from the general fund to the commissioner of jobs and training to ensure that enrollment levels or jobs in the youth employment program under section 2 are not reduced as a result of increases in the state minimum wage.

**Sec. 12. [APPROPRIATION; WAGE SUBSIDY.]**

\$18,000,000 is appropriated from the general fund for the biennium ending June 30, 1991, to the commissioner of jobs and training for the wage subsidy program authorized under Minnesota Statutes, sections 268.672 to 268.682.

**Sec. 13. [APPROPRIATION; DISLOCATED WORKERS.]**

Subdivision 1. [SERVICES TO DISLOCATED WORKERS.] \$ . . . . . is appropriated from the general fund for the biennium ending June 30, 1991, to the commissioner of jobs and training. The money appropriated under this subdivision should be distributed to organizations applying for grants through the governors job council. The primary purpose of the appropriation under this subdivision is to provide services and support to dislocated workers who have lost their jobs through plant closings or mass layoffs.

Subd. 2. [DEPARTMENT OF JOBS AND TRAINING STAFF.] \$ . . . . . is appropriated to the commissioner of jobs and training to fund additional department of jobs and training staff for the early warning system under section 5 and the rapid response program under section 6.

Subd. 3. [PREFEASIBILITY STUDY GRANTS.] \$ . . . . . is appropriated from the general fund for the biennium ending June

30, 1991, to the commissioner of jobs and training for the prefeasibility study grants awarded under section 7.

Sec. 14. [APPROPRIATION; SUBEMPLOYMENT INDEX.]

Subdivision 1. \$ . . . . . is appropriated from the general fund for the biennium ending June 30, 1991, to the commissioner of jobs and training to develop a methodology for measuring unemployment and underemployment of Minnesota workers as provided under section 10.

Subd. 2. \$ . . . . . is appropriated from the general fund for the biennium ending June 30, 1991, to the commissioner of jobs and training to conduct a statewide semiannual survey measuring unemployment and underemployment of Minnesota workers.

Sec. 15. [EFFECTIVE DATE.]

Section 2 is effective the day after final enactment. Sections 1 and 3 to 15 are effective July 1, 1989."

Delete the title and insert:

"A bill for an act relating to employment; expanding eligibility for unemployment insurance to include participants of training programs; providing transitional services through the youth employment program; expanding services under the wage subsidy program; establishing an early warning system for plant closings; creating a rapid response program; providing for prefeasibility study grants; creating a subemployment index; appropriating money; amending Minnesota Statutes 1988, sections 268.08, subdivision 1; 268.31; and 268.677, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 268."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Labor-Management Relations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 601; A bill for an act relating to waste management; defining "waste reduction"; extending the expiration date of waste advisory councils; authorizing counties to designate waste to landfills; requiring financial reports from landfills; clarifying the limits of political subdivision liability for superfund cleanup at landfills; authorizing the pollution control agency to acquire interests in real estate necessary for superfund; authorizing superfund to reimburse

political subdivisions for costs incurred in responding to emergency releases of hazardous materials; making claims for injuries due to petroleum contamination eligible for compensation by the harmful substances compensation fund; authorizing transfer of money from the petroleum tank release cleanup fund; altering the metropolitan council's authority for solid waste planning; raising the solid waste disposal fee in the metropolitan area; clarifying the 1990 ban on disposal of unprocessed waste in the metropolitan area; extending the date until which metal finishers are not liable for payment of hazardous waste generator fees; requiring a study of solid waste management district legislation; amending Minnesota Statutes 1988, sections 115A.03, by adding a subdivision; 115A.12, subdivision 1; 115A.14, subdivision 2; 115B.04, subdivision 4; 115B.17, by adding a subdivision; 115B.20, subdivision 2; 115B.25, subdivisions 1, 2, and 7, and by adding four subdivisions; 115B.26; 115B.27, subdivision 1; 115B.28, subdivision 2; 115B.29, subdivision 1; 115B.30, subdivision 3; 115B.34, subdivision 2; 115C.08, subdivision 4 and by adding a subdivision; 446.04, subdivision 1; 473.149, subdivisions 2d and 2e; 473.803, by adding a subdivision 1a; 473.845, subdivision 2; and 473.848; amending Laws 1987, chapter 348, section 50; proposing coding for new law in chapter 115A; repealing Minnesota Statutes 1988, sections 115A.98 and 115B.29, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 115A.03, is amended by adding a subdivision to read:

Subd. 36a. [WASTE REDUCTION.] "Waste reduction" means any activity that prevents generation of waste including at least reusing a product in its original form, increasing the life span of a product, reducing material used in production or packaging, or changing procurement, consumption, or waste generation habits to result in smaller quantities of waste generated.

Sec. 2. Minnesota Statutes 1988, section 115A.12, subdivision 1, is amended to read:

Subdivision 1. [SOLID AND HAZARDOUS WASTE MANAGEMENT.] The chair of the board shall establish a solid waste management advisory council and a hazardous waste management planning council broadly representative of the geographic areas and interests of the state. The councils shall have not less than nine nor more than 18 members each. The membership of the solid waste council shall consist of one-third citizen representatives, one-third representatives from local government units, and one-third representatives from private solid waste management firms. The solid waste council shall contain at least one member experienced in each

of the following areas: state and municipal finance; solid waste collection, processing, and disposal; and solid waste reduction and resource recovery. The membership of the hazardous waste advisory council shall consist of one-third citizen representatives, one-third representatives from local government units, and one-third representatives of hazardous waste generators and private hazardous waste management firms. The chairs of the advisory councils shall be appointed by the chair of the board. The chair of the board shall provide administrative and staff services for the advisory councils. The advisory councils shall have such duties as are assigned by law or the chair of the board. The solid waste advisory council shall make recommendations to the board on its solid waste management activities. The hazardous waste advisory council shall make recommendations to the board on its activities under sections 115A.08, 115A.09, 115A.10, 115A.11, 115A.20, 115A.21, and 115A.24. Members of the advisory councils shall serve without compensation but shall be reimbursed for their reasonable expenses as determined by the chair of the board. The solid waste management advisory council and the hazardous waste management planning council expire as provided in section 15.059, subdivision 5 June 30, 1994.

Sec. 3. Minnesota Statutes 1988, section 115A.14, subdivision 2, is amended to read:

Subd. 2. [STAFF] The commission is authorized, without regard to the civil service laws and rules, to appoint and fix the compensation of such additional legal and other personnel and consultants as may be necessary to enable it to carry out its functions, or to contract for services to supply necessary data, except that any state employees subject to the civil service laws and rules who may be assigned to the commission shall retain civil service status without interruption or loss of status or privilege. ~~The staff shall be hired and supervised for the commission by the executive director of the legislative commission on Minnesota resources.~~

Sec. 4. Minnesota Statutes 1988, section 115A.46, subdivision 2, is amended to read:

Subd. 2. [CONTENTS.] The plans shall describe existing collection, processing, and disposal systems, including schedules of rates and charges, financing methods, environmental acceptability, and opportunities for improvements in the systems. The plans shall include an estimate of the land disposal capacity in acre-feet which will be needed through the year 2000, on the basis of current and projected waste generation practices. The plans shall require the most feasible and prudent reduction of the need for and practice of land disposal of mixed municipal solid waste. The plans shall address at least waste reduction, separation, recycling, and other resource recovery options, and shall include specific and quantifiable objectives, immediately and over specified time periods, for reducing the land disposal of mixed municipal solid waste and for

the implementation of feasible and prudent reduction, separation, recycling, and other resource recovery options. The objectives must be consistent with statewide objectives identified in statute. In assessing the need for additional resource recovery or disposal capacity, plans must take into account the characteristics of waste stream components and must give priority to waste reduction, separation, and recycling. The plans shall describe specific functions to be performed and activities to be undertaken to achieve the abatement, reduction, separation, recycling, and other resource recovery objectives and shall describe the estimated cost, proposed manner of financing, and timing of the functions and activities. The plans shall include a comparison of the costs of the activities to be undertaken, including capital and operating costs, and the effects of the activities on the cost to generators and on persons currently providing solid waste collection, processing, and disposal services. The plans shall include alternatives which could be used to achieve the abatement objectives if the proposed functions and activities are not established. The plans shall designate how public education shall be accomplished. The plans shall, to the extent practicable and consistent with the achievement of other public policies and purposes, encourage ownership and operation of solid waste facilities by private industry. For solid waste facilities owned or operated by public agencies or supported primarily by public funds or obligations issued by a public agency, the plans shall include criteria and standards to protect comparable private and public facilities already existing in the area from displacement unless the displacement is required in order to achieve the waste management objectives identified in the plan. The plans shall establish a siting procedure and development program to assure the orderly location, development, and financing of new or expanded solid waste facilities and services sufficient for a prospective ten-year period, including estimated costs and implementation schedules, proposed procedures for operation and maintenance, estimated annual costs and gross revenues, and proposals for the use of facilities after they are no longer needed or usable. The plans shall describe existing and proposed county and municipal ordinances and license and permit requirements relating to solid waste management and shall describe existing and proposed regulation and enforcement procedures.

Sec. 5. Minnesota Statutes 1988, section 115A.80, is amended to read:

115A.80 [DESIGNATION OF RESOURCE RECOVERY SOLID WASTE MANAGEMENT FACILITIES; PURPOSE.]

In order to further the state policies and purposes expressed in section 115A.02, and to advance the public purposes served by resource recovery effective solid waste management, the legislature finds and declares that it may be necessary pursuant to sections 115A.80 to 115A.89 to authorize a qualifying solid waste manage-

ment district or county to designate a ~~resource recovery~~ solid waste processing or disposal facility.

Sec. 6. Minnesota Statutes 1988, section 115A.81, subdivision 2, is amended to read:

Subd. 2. [DESIGNATION.] "Designation" means a requirement by a waste management district or county that all or any portion of the mixed municipal solid waste that is generated within its boundaries or any service area thereof be delivered to a ~~resource recovery~~ processing or disposal facility identified by the district or county.

Sec. 7. Minnesota Statutes 1988, section 115A.83, is amended to read:

#### 115A.83 [EXEMPTION.]

The designation may not apply to or include: (1) materials that are separated from solid waste and recovered for reuse in their original form or for use in manufacturing processes; or (2) materials that are processed at ~~another~~ a resource recovery facility at the capacity in operation at the time that the designation plan is approved by the reviewing authority.

Sec. 8. Minnesota Statutes 1988, section 115A.84, is amended to read:

#### 115A.84 [DESIGNATION PLAN.]

Subdivision 1. [REQUIREMENT.] Before commencing the designation procedure under section 115A.85, the district or county shall adopt a comprehensive solid waste management plan or, under chapter 473, a master plan. The comprehensive or master plan must include county or district shall then submit a plan for designation to be approved under this section. A county or district's designation plan must be consistent with its solid waste management plan or master plan and with regional and statewide waste management goals.

Subd. 2. [DESIGNATION; PLAN CONTENTS.] (a) The designation plan must evaluate (1) the benefits of the designation, including the public purposes achieved by the conservation and recovery of resources, the furtherance of local and any district or regional waste management plans and policies, and the furtherance of the state policies and purposes expressed in section 115A.02; and (2) the estimated costs of the designation, including the direct capital, operating, and maintenance costs of the facility designated, the indirect costs, and the long-term effects of the designation.

(b) In particular the designation plan must evaluate:

(1) whether the designation will result in the recovery of resources or energy from materials which would otherwise be wasted;

(2) whether the designation will lessen the demand for and use of indiscriminate land disposal;

(3) whether the designation is necessary for the financial support of the facility;

(4) whether less restrictive methods for ensuring an adequate solid waste supply are available; ~~and~~

(5) other feasible and prudent waste ~~processing~~ management alternatives for accomplishing the purposes of the proposed designation, the direct and indirect costs of the alternatives, including capital and operating costs, and the effects of the alternatives on the cost to generators; and

(6) whether the designation takes into account and promotes local, regional, and state waste management goals.

(c) When the plan proposes designation to disposal facilities, the designation plan must also evaluate:

(1) whether the disposal facility is part of an integrated waste management system involving a processing facility and the designation is necessary for the financial support of the processing facility;

(2) whether the designation will better serve to protect public health and safety;

(3) the impacts upon other disposal facilities and collectors inside and outside the area;

(4) whether the designation is necessary to promote regional waste management programs and cooperation; and

(5) the extent to which the design and operation of the disposal facility protects the environment including whether it is permitted under current agency rules and whether any portion of the facility's site is listed under section 115B.17, subdivision 13.

(d) When the plan proposes designation to disposal facilities, all of the solid waste generated in the affected area must be subject to the designation unless it is subject to a contract between a hauler and a different facility and that contract is in force on the date designation is implemented.

Subd. 3. [PLAN APPROVAL.] A district or county planning a designation for waste generated wholly within the metropolitan area defined in section 473.121 shall submit its designation plan to the metropolitan council for review and approval or disapproval. Other districts or counties shall submit the designation plan to the waste management board for review and approval or disapproval. The reviewing authority shall complete its review and make its decision within 120 days following submission of the plan for review. The reviewing authority shall approve the designation plan if the plan satisfies the requirements of subdivision 2 and, in the case of designation to disposal facilities, if the reviewing authority finds that the plan has demonstrated that the designation is necessary and is consistent with section 115A.02. The reviewing authority may attach conditions to its approval that relate to matters required in a designation ordinance under section 115A.86, subdivision 1, paragraph (a), clauses (1) to (4), and paragraph (b). Amendments to plans must be submitted for review in accordance with this subdivision.

Subd. 4. [EXCLUSION OF CERTAIN MATERIALS.] When it approves the designation plan the reviewing authority shall exclude from the designation materials that the reviewing authority determines will be processed at ~~another~~ a resource recovery facility separate from the designated facility if:

(1) ~~the other~~ resource recovery facility requesting the exclusion is substantially completed or will be substantially completed within 18 months of the time that the designation plan is approved by the reviewing authority; and

(2) ~~the other~~ facility requesting the exclusion has or will have contracts for purchases of its product; and

(3) the materials are or will be under contract for delivery to the ~~other~~ facility requesting the exclusion at the time ~~the other~~ that facility is completed.

In order to qualify for the exclusion of materials under this subdivision, the operator or owner of the ~~other~~ resource recovery facility requesting the exclusion shall file with the reviewing authority and the district or county or counties a written description of the facility, its intended location, its waste supply sources, purchasers of its products, its design capacity and other information that the reviewing authority and the district or county or counties may reasonably require. The information must be filed as soon as it becomes available but not later than 30 days following the date when the county or district submits its designation plan for approval.

The reviewing authority may revoke the exclusion granted under this subdivision when it approves the designation ordinance under

section 115A.86 if in its judgment the excluded materials will not be processed at the other facility.

Sec. 9. Minnesota Statutes 1988, section 115A.85, subdivision 2, is amended to read:

Subd. 2. [HEARING.] The district or county shall hold a public hearing to take testimony on the designation. Notice of the hearing must be published in a newspaper of general circulation in the area for two successive weeks ending at least 15 days before the date of the hearing and must be mailed to political subdivisions, landfill processing and disposal facility operators, and licensed solid waste collectors who may be expected to use the facility. The notification must: (1) describe the area in which the designation will apply and the plans for the use of the solid waste; (2) specify the point or points of delivery of the solid waste; (3) estimate the types and quantities of solid waste subject to the designation; and (4) estimate the fee to be charged for the use of the facilities and for any products of the facilities. A designation or contract for use is not invalid by reason of the failure of the district or county to provide written notice to an entity listed in this subdivision.

Sec. 10. Minnesota Statutes 1988, section 115A.86, subdivision 3, is amended to read:

Subd. 3. [IMPLEMENTATION.] The designation may be placed into effect no less than 60 days following the approval required in subdivision 2. The effective date of the designation must be specified at least 60 days in advance. If the designation is not placed into effect within two years of approval, the designation must be resubmitted to the reviewing authority for approval or disapproval under subdivision 2, unless bonds have been issued to finance the resource recovery facility to which the designation applies.

Sec. 11. Minnesota Statutes 1988, section 115A.86, subdivision 5, is amended to read:

Subd. 5. [AMENDMENTS.] (a) Amendments to a designation ordinance must be submitted to the reviewing authority for approval. The reviewing authority shall approve the amendment if the amendment is in the public interest and in furtherance of the state policies and purposes expressed in section 115A.02. If the reviewing authority finds that the proposed amendment is a substantive change from the existing designation plan, the reviewing authority may require that the county or solid waste management district submit a revised designation plan to the reviewing authority for approval. After receiving approval for the designation plan amendment from the reviewing authority, the county or district shall follow the procedure outlined in section 115A.85 prior to submitting the amended designation ordinance to the reviewing authority for approval. If the reviewing authority does not act within 90 days

after receiving the proposed amendment to the designation ordinance, the amendment is approved.

(b) Prior to amending an ordinance to designate solid waste to a disposal facility, a county or district shall submit an amended designation plan to the reviewing authority for approval, and shall follow the procedures outlined in section 115A.85.

Sec. 12. Minnesota Statutes 1988, section 115A.893, is amended to read:

115A.893 [PETITION FOR EXCLUSION.]

Any person proposing to own or operate a ~~resource recovery~~ processing facility using waste materials subject to a designation ordinance may petition the waste district or county for exclusion of the materials from the designation ordinance. In order to qualify for the exclusion of materials under this section, the petitioner shall submit with the petition a written description of the proposed facility, its intended location, its waste supply sources, purchasers of its products, its design capacity, and other information that the district or county may reasonably require. The district or county, after appropriate notice and hearing, shall issue a written decision with findings of fact and conclusions on all material issues. The district or county shall grant the petition if it determines that: (a) the materials will be processed at the ~~resource recovery~~ facility, and (b) the exclusion can be implemented without impairing the financial viability of the designated facility or impairing contractual obligations or preventing the performance of contracts by the facility owner or operator, the district or county, or users of the facility. Any person aggrieved by the decision of the district or county may appeal to the reviewing authority. The review is confined to the record. The decision of the reviewing authority must be based on the standards stated in this section. If the reviewing authority approves the petition, the designation ordinance must be amended in conformance with the decision of the reviewing authority. The petition may be amended during the proceedings by agreement between the petitioner and the district or county.

Sec. 13. Minnesota Statutes 1988, section 115A.906, is amended by adding a subdivision to read:

Subd. 2a. [EMERGENCY ABATEMENT.] The commissioner may take emergency action to abate a waste tire nuisance without following the procedures of subdivision 2 if the commissioner determines that the nuisance constitutes a clear and immediate danger of uncontrollable fire, mosquito infestation, or other hazard requiring immediate action to prevent, minimize, or mitigate damage to the public health and welfare or the environment. Before taking an action under this subdivision, the commissioner shall make all reasonable efforts, taking into account the urgency of the

situation and any historical pattern of responses by the tire collector to any past problems or abatement orders, to follow as much of the procedure in subdivision 2 as is practical. Emergency action under this subdivision may include all of the activities authorized for an abatement order.

Sec. 14. Minnesota Statutes 1988, section 115A.94, is amended by adding a subdivision to read:

Subd. 6. [EFFECT.] Except as provided in subdivision 5, nothing in this section requires a city, town, or county to organize collection, or prevents a city, town, or county from organizing collection, for either solid waste or recyclable material.

Sec. 15. [115A.981] [SOLID WASTE DISPOSAL FACILITIES ANNUAL REPORTING.]

Subdivision 1. [RECORD KEEPING REQUIREMENTS.] The owner or operator of a solid waste disposal facility must maintain the records necessary to comply with the requirements of subdivisions 2 and 3.

Subd. 2. [ANNUAL REPORTING.] (a) The owner or operator of a solid waste disposal facility must:

(1) submit an annual report to the agency under section 115A.32, and Minnesota Rules, part 7035.2585;

(2) annually certify that it has established financial assurance for closure, postclosure care, and corrective action at the facility by using one or more of the financial assurance mechanisms specified by rule; and

(3) file a fee schedule with the agency with the annual report.

(b) The fee schedule must list all tipping fees, rates, charges, surcharges, and any other fees charged by each classification of customer. The owner or operator of a facility may not increase fees until 30 days after the owner or operator has submitted a fee schedule amendment to the agency.

Subd. 3. [CLASSIFICATION OF DATA.] Information declared proprietary information by the submitter that is received by the agency under subdivision 2 is nonpublic data as defined in section 13.02, subdivision 9, except that the attorney general has access to the information.

Subd. 4. [AGENCY REPORT.] The agency shall report to the legislative commission on waste management by July 1 of each even-numbered year on the viability of the state's waste processing

and disposal capability, the status of competitive forces in the market including recycling, composting, waste reduction and incineration, the extent to which existing fees for services are sufficient for facility development, engineering, environmental and safety factors, the progress of the industry in meeting the state's waste management goals, and recommendations for regulations to ensure protection of human health and the environment. In preparing the report, the agency shall consider information received under subdivision 2.

Sec. 16. Minnesota Statutes 1988, section 115B.04, subdivision 4, is amended to read:

Subd. 4. [LIABILITY OF POLITICAL SUBDIVISIONS.] The liability of a political subdivision under this section is subject to the limits imposed under section 466.04, subdivision 1, except when the political subdivision is liable under this section as the owner or operator of a disposal facility as defined in section 115A.03, subdivision 10. When a political subdivision is liable as an owner or operator of a disposal facility, the liability of each subdivision is limited to \$400,000 at each facility unless the facility was owned or operated under a valid joint powers agreement by three or more political subdivisions, in which case the aggregate liability of all political subdivisions that are parties to the joint powers agreement is limited to \$1,200,000. The limits on the liability of a political subdivision for ownership or operation of a disposal facility apply to the costs of remedial action incurred between the date a request for response action is issued by the agency and the date one year after the construction certificate of completion is approved by the commissioner, excluding costs incurred during negotiation of a consent order agreement.

When a political subdivision takes remedial action as the owner or operator of a disposal facility between the dates specified above, it may receive, after approval by the agency, reimbursement of any amount spent pursuant to an approved work plan that exceeds the applicable liability limit specified in this subdivision.

Sec. 17. Minnesota Statutes 1988, section 115B.17, is amended by adding a subdivision to read:

Subd. 15. [ACQUISITION OF PROPERTY.] The agency may acquire, by purchase or donation easements and leases, an interest in real property, including easements and leases that the agency determines is necessary for response action. The agency may acquire an easement by condemnation only if the agency is unable, after reasonable efforts, to acquire an interest in real property by purchase or donation. The provisions of chapter 117 govern condemnation proceedings by the agency under this subdivision. A donation of an interest in real property to the agency is not effective until the agency executes a certificate of acceptance. The state is not liable

under this chapter solely as a result of acquiring an interest in real property under this subdivision.

Sec. 18. Minnesota Statutes 1988, section 115B.20, subdivision 2, is amended to read:

Subd. 2. [PURPOSES FOR WHICH MONEY MAY BE SPENT.] Subject to appropriation by the legislature the money in the fund may be spent for any of the following purposes:

(a) Preparation by the agency for taking removal or remedial action under section 115B.17, including investigation, monitoring and testing activities, enforcement and compliance efforts relating to the release of hazardous substances, pollutants or contaminants under section 115B.17 or 115B.18;

(b) Removal and remedial actions taken or authorized by the agency or the commissioner of the pollution control agency under section 115B.17, including related enforcement and compliance efforts under section 115B.17 or 115B.18, and payment of the state share of the cost of remedial action which may be carried out under a cooperative agreement with the federal government pursuant to the Federal Superfund Act, under United States Code, title 42, section 9604(c)(3) for actions related to facilities other than commercial hazardous waste facilities located under the siting authority of chapter 115A;

(c) Reimbursement to any private person for expenditures made before July 1, 1983 to provide alternative water supplies deemed necessary by the agency and the department of health to protect the public health from contamination resulting from the release of a hazardous substance;

(d) Removal and remedial actions taken or authorized by the agency or the commissioner of the pollution control agency under section 115B.17 including related enforcement and compliance efforts under section 115B.17 or 115B.18, and payment of the state share of the cost of remedial action which may be carried out under a cooperative agreement with the federal government pursuant to the Federal Superfund Act, under United States Code, title 42, section 9604(c)(3) for actions related to commercial hazardous waste facilities located under the siting authority of chapter 115A;

(e) Compensation as provided by law, after submission by the waste management board of the report required under section 115A.08, subdivision 5, to mitigate any adverse impact of the location of commercial hazardous waste processing or disposal facilities located pursuant to the siting authority of chapter 115A;

(f) Planning and implementation by the commissioner of natural

resources of the rehabilitation, restoration or acquisition of natural resources to remedy injuries or losses to natural resources resulting from the release of a hazardous substance;

(g) Inspection, monitoring and compliance efforts by the agency, or by political subdivisions with agency approval, of commercial hazardous waste facilities located under the siting authority of chapter 115A;

(h) Grants by the agency or the waste management board to demonstrate alternatives to land disposal of hazardous waste including reduction, separation, pretreatment, processing and resource recovery, for education of persons involved in regulating and handling hazardous waste;

(i) Intervention and environmental mediation by the legislative commission on waste management under chapter 115A; and

(j) Grants by the agency to study the extent of contamination and feasibility of cleanup of hazardous substances and pollutants or contaminants in major waterways of the state;

(k) Acquisition of a property interest under section 17;

(l) Reimbursement, in an amount to be determined by the agency in each case, to a political subdivision that is not a responsible person under section 115B.03 for reasonable and necessary expenditures resulting from an emergency caused by a release or threatened release of a hazardous substance, pollutant, or contaminant; and

(m) Reimbursement to a political subdivision for expenditures over the limit on political subdivision liability under section 16.

Sec. 19. Minnesota Statutes 1988, section 115B.25, subdivision 1, is amended to read:

Subdivision 1. ~~[GENERAL APPLICATION.]~~ The terms used in sections 115B.25 to 115B.37 have the ~~definitions~~ meanings given them in ~~section 115B.02 and~~ this section.

Sec. 20. Minnesota statutes 1988, section 115B.25, subdivision 2 is amended to read:

Subd. 2. ~~[BOARD.]~~ "Board" means the ~~hazardous harmful substance injury compensation board~~ established in section 115B.27.

Sec. 21. Minnesota Statutes 1988, section 115B.25, is amended by adding a subdivision to read:

Subd. 6a. [FACILITY.] "Facility" has the meaning given it in section 115B.02, subdivision 5.

Sec. 22. Minnesota Statutes 1988, section 115B.25, subdivision 7, is amended to read:

Subd. 7. [FUND.] "Fund" means the hazardous harmful substance injury compensation fund established in section 115B.26.

Sec. 23. Minnesota Statutes 1988, section 115B.25, is amended by adding a subdivision to read:

Subd. 7a. [HARMFUL SUBSTANCE.] "Harmful substance" means:

(1) any commercial chemical designated under the Federal Water Pollution Control Act, United States Code, title 33, section 1321(b)(2)(A);

(2) any hazardous air pollutant listed under the Clean Air Act, United States Code, title 42, section 7412;

(3) any hazardous waste; and

(4) petroleum as defined in section 115C.02, subdivision 10.

Sec. 24. Minnesota Statutes 1988, section 115B.25, is amended by adding a subdivision to read:

Subd. 7b. [HAZARDOUS WASTE.] "Hazardous waste" has the meaning given it in section 115B.02, subdivision 9.

Sec. 25. Minnesota Statutes 1988, section 115B.25, is amended by adding a subdivision to read:

Subd. 7c. [PERSON.] "Person" has the meaning given it in section 115B.02, subdivision 12.

Sec. 26. Minnesota Statutes 1988, section 115B.25, is amended by adding a subdivision to read:

Subd. 9. [RELEASE.] "Release" has the meaning given it in section 115B.02, subdivision 15. Release does not include discharges or designed venting of petroleum from a tank allowed under rules of the pollution control agency.

Sec. 27. Minnesota Statutes 1988, section 115B.26, is amended to read:

115B.26 [~~HAZARDOUS~~ HARMFUL SUBSTANCE INJURY COMPENSATION FUND.]

Subdivision 1. [ESTABLISHMENT.] A ~~hazardous~~ harmful substance ~~injury~~ compensation fund is established as an account in the state treasury. Earnings, such as interest, dividends, and any other earnings arising from fund assets, must be credited to the fund.

Subd. 2. [APPROPRIATION.] The amount necessary to pay for staff assistance, administrative services, and office space under section 115B.28, subdivision 4, and to pay claims of compensation granted by the board under sections 115B.25 to 115B.37 is appropriated to the board from the ~~hazardous~~ harmful substance ~~injury~~ compensation fund.

Subd. 3. [PAYMENT OF CLAIMS WHEN FUND INSUFFICIENT.] If the amount of the claims granted exceeds the amount in the fund, the board shall request a transfer from the general contingent account to the ~~hazardous~~ harmful substance ~~injury~~ compensation fund as provided in section 3.30. If no transfer is approved, the board shall pay the claims which have been granted in the order granted only to the extent of the money remaining in the fund. The board shall pay the remaining claims which have been granted after additional money is credited to the fund.

Subd. 4. [FUND TRANSFER REQUEST.] At the end of each fiscal year, the board shall submit a request to the petroleum tank release compensation board for transfer to the fund from the petroleum tank release cleanup fund under section 34 of an amount equal to the compensation granted by the board for claims related to petroleum releases plus administrative costs related to determination of those claims.

Sec. 28. Minnesota Statutes 1988, section 115B.27, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT OF BOARD.] The ~~hazardous~~ harmful substance ~~injury~~ compensation board is established. The board consists of five members who will serve part time and who will be appointed by the governor with the advice and consent of the senate. One member must be a physician knowledgeable in toxicology; one member must be a member of the bar of this state; one member must be a health professional knowledgeable in the area of ~~hazardous~~ harmful substance injuries; and two members must be members of the general public. The board shall annually elect a member to serve as chair for a term of one year. Filling of vacancies on the board and removal of members are governed by section 15.0575.

Sec. 29. Minnesota Statutes 1988, section 115B.28, subdivision 2, is amended to read:

Subd. 2. [POWERS.] In addition to exercising any powers specified in sections 115B.25 to 115B.37 or in other law, the board may:

(1) in reviewing a claim, consider any information relevant to the claim, in accordance with the evidentiary standards contained in section 115B.35;

(2) contract for consultant or other services necessary to carry out the board's duties under sections 115B.25 to 115B.37;

(3) grant reasonable partial compensation on an emergency basis pending the final decision on a claim, ~~subject to the adoption of rules by the board,~~ if the claim is one with respect to which an award will probably be made and undue hardship will result to the claimant if immediate payment is not made;

(4) limit access to information collected and maintained by the board and take any other action necessary to protect ~~privileged or confidential not public data as defined in section 13.02, subdivision 8a, and protected information,~~ in accordance with the limitations contained in section 115B.35.

Sec. 30. Minnesota Statutes 1988, section 115B.29, subdivision 1, is amended to read:

Subdivision 1. [PERSONAL INJURY AND CERTAIN PROPERTY CLAIMS.] A person may file a claim with the board pursuant to this section for compensation for an eligible injury, or for eligible property damage ~~described in section 115B.34, subdivision 2, paragraph (a), clause (1),~~ that could reasonably have resulted from an exposure in Minnesota to a hazardous harmful substance released from a facility.

Sec. 31. Minnesota Statutes 1988, section 115B.30, subdivision 3, is amended to read:

Subd. 3. [TIME FOR FILING CLAIM.] A claim is not eligible for compensation from the fund unless it is filed with the board within the time provided in this subdivision.

(a) A claim for compensation for personal injury must be filed within two years after the injury and its connection to exposure to a hazardous harmful substance was or reasonably should have been discovered.

(b) A claim for compensation for property damage must be filed within six two years after the damage was or reasonably should have been discovered full amount of compensable losses can be determined.

Notwithstanding the provisions of this subdivision, claims for compensation that would otherwise be barred by any statute of limitations provided in sections 115B.25 to 115B.37 may be filed not later than January 1, 1988 1992.

Sec. 32. Minnesota Statutes 1988, section 115B.34, subdivision 2, is amended to read:

Subd. 2. [PROPERTY DAMAGE LOSSES.] (a) Losses compensable by the fund for property damage are limited to the following losses caused by damage to the principal residence of the claimant:

(1) the reasonable cost of replacing or decontaminating the primary source of drinking water for the property not to exceed the amount actually expended by the claimant or assessed by a local taxing authority, if the department of health has determined confirmed that the remedy provides safe drinking water and advised that the water is contaminated not be used for drinking or has included the property in a well advisory area and has certified determined that the replacement or decontamination of the source of drinking water effectively has or will eliminate the contamination was necessary, up to a maximum of \$25,000; and

(2) losses incurred as a result of a bona fide sale of the property at less than the appraised market value under circumstances that constitute a hardship to the owner, limited to 75 percent of the difference between the appraised market value and the selling price, but not to exceed \$25,000.; and

(3) losses incurred as a result of the inability of an owner in hardship circumstances to sell the property due to the presence of harmful substances, limited to the increase in costs associated with the need to maintain two residences, but not to exceed \$25,000. In computation of the loss, the board shall offset the loss by the amount of any income received by the claimant from the rental of the property.

(b) For purposes of paragraph (a), the following definitions apply:

(1) "appraised market value" means an appraisal of the market value of the property disregarding any decrease in value caused by the presence of a hazardous harmful substance in or on the property; and

(2) "hardship" means an urgent need to sell the property based on a special circumstance of the owner including catastrophic medical expenses, inability of the owner to physically maintain the property due to a physical or mental condition, and change of employment of the owner or other member of the owner's household requiring the owner to move to a different location.

(c) Appraisals are subject to board approval. The board may adopt rules governing approval of appraisals, criteria for establishing a hardship, and other matters necessary to administer this subdivision.

Sec. 33. Minnesota Statutes 1988, section 115C.08, subdivision 4, is amended to read:

Subd. 4. [EXPENDITURES.] Money in the fund may only be spent:

(1) to administer the petroleum tank release cleanup program established in sections 115C.03 to 115C.10;

(2) for agency administrative costs under sections 116.46 to 116.50, sections 115C.03 to 115C.06, and costs of corrective action taken by the agency under section 115C.03, including investigations;

(3) for costs of recovering expenses of corrective actions under section 115C.04; and

(4) for training, certification, and rulemaking under sections 116.46 to 116.50; and

(5) for reimbursement of the harmful substance compensation fund under sections 27, subdivision 4, and 34.

Sec. 34. Minnesota Statutes 1988, section 115C.08, is amended by adding a subdivision to read:

Subd. 5. [FUND TRANSFER.] The board shall authorize the commissioner of finance to transfer to the harmful substance compensation fund the amount requested by the harmful substance compensation board under section 27, subdivision 4. Transfer of the amount must be made at the earliest practical date after authorization by the board unless the unexpended balance in the fund is less than \$1,000,000 in which case transfer must be made at the earliest practical date after the unexpended balance in the fund exceeds that amount.

Sec. 35. Minnesota Statutes 1988, section 116.07, is amended by adding a subdivision to read:

Subd. 4j. [PERMITS; SOLID WASTE FACILITIES.] The agency may not issue a permit for new or additional capacity for a mixed municipal solid waste resource recovery or disposal facility as defined in section 115A.03 unless each county projected in the permit to use the facility has in place a solid waste management plan approved under section 115A.46 or section 473.803. The agency

shall issue the permit only if the capacity of the facility is consistent with the needs for resource recovery or disposal capacity identified in the approved plan or plans. Consistency must be determined by the metropolitan council for counties in the metropolitan area and by the agency for counties outside the metropolitan area. Plans approved before January 1, 1990, need not be revised if the capacity sought in the permit is consistent with the approved plan or plans.

The agency shall require as part of the permit application for a waste incineration facility identification of preliminary plans for ash management and ash leachate treatment or ash utilization. The permit issued by the agency must include requirements for ash management and ash leachate treatment.

Sec. 36. Minnesota Statutes 1988, section 466.04, subdivision 1, is amended to read:

Subdivision 1. [LIMITS; PUNITIVE DAMAGES.] Liability of any municipality on any claim within the scope of sections 466.01 to 466.15 shall not exceed

(a) \$200,000 when the claim is one for death by wrongful act or omission and \$200,000 to any claimant in any other case;

(b) \$600,000 for any number of claims arising out of a single occurrence;

(c) Twice the limits provided in clauses (a) and (b), but not less than \$300,000 per claim, when the claim arises out of the release or threatened release of a hazardous substance, whether the claim is brought under sections 115B.01 to 115B.15 or under any other law.

No award for damages on any such claim shall include punitive damages.

Sec. 37. Minnesota Statutes 1988, section 473.149, subdivision 2d, is amended to read:

Subd. 2d. [LAND DISPOSAL ABATEMENT PLAN.] By January 1, 1985, After considering any county land disposal abatement proposals and waste stream analysis that have been submitted by that date, pursuant to under section 473.803, subdivision 1b, the council shall amend its policy plan to include specific and quantifiable metropolitan objectives for abating to the greatest feasible and prudent extent the need for and practice of land disposal of mixed municipal solid waste and of specific components of the solid waste stream, including residuals and ash, either by type of waste or class of generator. The objectives must be stated in annual increments through the year 1990 and thereafter in five-year increments through the year 2000 for a period of at least 20 years from the date

of adoption of policy plan revisions. The plan must identify the capacity, based on the council's abatement objectives, needed for the disposal of various types of waste in each five-year increment and the general area of the region where the capacity should be developed. The plan must include a reduced estimate, based on the council's abatement objectives, of the added solid waste disposal capacity needed in appropriate sectors of the metropolitan area, stated in annual increments through the year 1990 and thereafter in five year increments through the year 2000. The plan must include objectives for waste reduction and measurable objectives for local abatement of solid waste through resource recovery and waste reduction, recycling and source separation programs and activities for each metropolitan county and for cities of the first class, the second class, and the third class, respectively, stated in annual increments through the year 1990 and in five-year increments through the year 2000 for a period of at least 20 years. The standards must be based upon and implement the council's metropolitan abatement objectives. The council's plan must include standards and procedures to be used by the council in determining whether a metropolitan county or class of cities within a metropolitan county has implemented the council's metropolitan land disposal abatement plan and has achieved the objectives for local abatement.

Sec. 38. Minnesota Statutes 1988, section 473.149, subdivision 2e, is amended to read:

Subd. 2e. [SOLID WASTE DISPOSAL FACILITIES DEVELOPMENT SCHEDULE.] By January 1, 1985, After requesting and considering recommendations from the counties, cities, and towns, the council as part of its policy plan shall determine the number of sites and the capacity of sites to be acquired within each the metropolitan county area for solid waste disposal facilities in accordance with section 473.833. The council shall adopt a schedule of disposal capacity to be developed in each county through the year 2000 within the metropolitan area in five-year increments for a period of at least 20 years from adoption of development schedule revisions. The schedule may not allow capacity in excess of the council's reduced estimate of the disposal capacity needed because of the council's land disposal abatement plan, except as the council deems necessary to allow reallocation of capacity as required by this subdivision. The council shall make the implementation of elements of the schedule, including the disposal capacity allocated to each county, contingent on actions of each county and class of city in that county in adopting and implementing abatement plans pursuant to section 473.803, subdivision 1b. The council shall may review the development schedule every year and shall revise the development schedule and the allocation of disposal capacity required for each county based on the progress made in that county in the implementation of the council's abatement plans and achievement of metropolitan and local abatement objectives. The council shall review and

revise, by resolution following public hearing, the development schedule and the allocation of disposal capacity required based on significant changes in the landfill capacity of the metropolitan area. The schedule may include procedures to be used by counties in selecting sites for acquisition pursuant to section 473.833. The schedule must include standards and procedures for council certification of need pursuant to section 473.823. The schedule must include a facility closure schedule and plans for postclosure management and disposition, for the use of property after acquisition and before facility development, and for the disposition of property and development rights, as defined in section 473.833, no longer needed for disposal facilities. The schedule must also include a closure schedule and plans for postclosure management for facilities in existence before the adoption of the development schedule.

Sec. 39. Minnesota Statutes 1988, section 473.803, is amended by adding a subdivision to read:

Subd. 2a. [WASTE ABATEMENT.] The council may require any county that fails to meet the waste abatement objectives contained in the council's policy plan to amend its master plan to address methods to achieve the objectives. The master plan amendment is subject to council review and approval as provided in subdivision 2 and must consider at least:

- (1) minimum recycling service levels for solid waste generators;
- (2) mandatory generator participation in recycling programs including separation of recyclable material from mixed municipal solid waste;
- (3) use of organized solid waste collection under section 115A.94; and
- (4) waste abatement participation incentives including provision of storage bins, weekly collection of recyclable material, expansion of the types of recyclable material for collection, collection of recyclable material on the same day as collection of solid waste, and financial incentives such as basing charges to generators for waste collection services on the volume of waste generated and discounting collection charges for generators who separate recyclable material for collection separate from their solid waste.

Sec. 40. Minnesota Statutes 1988, section 473.823, subdivision 3, is amended to read:

Subd. 3. [SOLID WASTE FACILITIES; REVIEW PROCEDURES.] The agency shall request applicants for solid waste facility permits to submit all information deemed relevant by the council to its review, including without limitation information relating to the

geographic areas and population served, the need, the effect on existing facilities and services, the effectiveness of proposed buffer areas to ensure at least protection of surrounding land uses from adverse impacts due to landfill operation and related activities, the anticipated public cost and benefit, the anticipated rates and charges, the manner of financing, the effect on metropolitan plans and development programs, the supply of waste, anticipated markets for any product, and alternative means of disposal or energy production. No permit may be issued for the operation of a solid waste facility in the metropolitan area which is not in accordance with the metropolitan council's solid waste policy plan. The metropolitan council shall determine whether a permit is in accordance with the policy plan. In making its determination, the council shall consider the areawide need and benefit of the applicant facility and the effectiveness of proposed buffer areas to adequately protect surrounding land uses in accordance with its policy plan, and may consider, without limitation, the effect of the applicant facility on existing and planned solid waste facilities described in a waste control commission implementation plan or county report or master plan. If the council determines that a permit is in accordance with its policy plan, the council shall approve the permit. If the council determines that a permit is not in accordance with its policy plan, it shall disapprove the permit. The council's approval of permits may be subject to conditions necessary to satisfy criteria and standards in its policy plan, including conditions respecting the type, character, and quantities of waste to be processed at a solid waste facility used primarily for resource recovery and the geographic territory from which a resource recovery facility or transfer station serving such a facility may draw its waste. For the purpose of this review and approval by the council, the agency shall send a copy of each permit application and any supporting information furnished by the applicant to the metropolitan council within 15 days after receipt of the application and all other information requested from the applicant. Within 60 days after the application and supporting information are received by the council, unless a time extension is authorized by the agency, the council shall issue to the agency in writing its determination whether the permit is disapproved, approved, or approved with conditions. If the council does not issue its determination to the agency within the 60-day period, unless a time extension is authorized by the agency, the permit shall be deemed to be in accordance with the council's policy plan. No permit shall be issued in the metropolitan area for a solid waste facility used primarily for resource recovery or a transfer station serving such a facility, if the facility or station is owned or operated by a public agency or if the acquisition or betterment of the facility or station is secured by public funds or obligations issued by a public agency, unless the council finds and determines that adequate markets exist for the products recovered and that establishment of the facility is consistent with the criteria and standards in the metropolitan and county plans respecting the protection of existing resource recovery facilities and transfer stations serving such facilities.

Sec. 41. Minnesota Statutes 1988, section 473.831, subdivision 2, is amended to read:

Subd. 2. [USE OF PROCEEDS.] The proceeds of bonds issued under subdivision 1 shall be used by the council:

(a) to provide funds for the environmental analysis of solid waste disposal sites; and

(b) to make grants to metropolitan counties to pay for: (1) the cost of the environmental review of sites, (2) the acquisition of development rights for all or part of the period that the development limitation imposed by section 473.806 is in effect, (3) the acquisition of permanent or temporary right, title, or interests in property, including easements and development rights, for solid waste disposal sites and surrounding buffer areas required to be acquired by the county, pursuant to sections 473.833 and 473.840, by the council's policy plan and development schedule adopted pursuant to section 473.149, subdivision 2e, and (4) the acquisition and improvement of resource recovery facilities; and

(c) to reimburse a city or town that contains a solid waste disposal site identified by the council under section 473.149, subdivision 2b, for costs incurred by the city or town after publication of an environmental impact statement preparation notice for the site. Reimbursement may not exceed \$100,000 for a city or town. Costs eligible for reimbursement under this paragraph are those incurred for data collection, technical review, and analysis necessary to evaluate the draft environmental impact statement prepared by the county under section 473.833, subdivision 2a and the site selection decision made under section 473.833, subdivision 3. Legal fees are not eligible for reimbursement under this paragraph.

If the council is required by law or rule to prepare environmental analyses on one or more solid waste disposal sites and surrounding buffer areas, the council may use the proceeds of the bonds issued under subdivision 1 to contract for consultant services in the preparation of such analyses only upon a finding that equivalent expertise is not available among its own staff.

Sec. 42. Minnesota Statutes 1988, section 473.833, subdivision 2, is amended to read:

Subd. 2. [REQUIREMENT.] Each metropolitan county shall select and acquire sites and buffer areas for solid waste disposal facilities in accordance with this section and the council's policy plan and development schedule adopted pursuant to section 473.149, subdivision 2e. Each county in which a site is selected and acquired must ensure development of the site in accordance with the landfill development schedule in the council's policy plan if the site is permissible by the agency and if its development is prudent as

determined by the council relative to other sites selected under this section.

Sec. 43. Minnesota Statutes 1988, section 473.833, subdivision 2a, is amended to read:

Subd. 2a. [ENVIRONMENTAL IMPACT STATEMENT.] Each metropolitan county shall complete an environmental impact statement on the environmental effects of the decision required by subdivision 3. The statement shall be prepared and reviewed in accordance with chapter 116D and the rules issued pursuant thereto, except as otherwise required by section 473.149 and this section. The determination of adequacy must be made within one year following the council's adoption of the facilities development schedule pursuant to section 473.149, subdivision 2e. The statement must be consistent with the establishment of facilities in accordance with the requirements of the council's development schedule, must not address or reconsider alternatives eliminated from consideration under sections 473.149, 473.803, subdivisions 1, 1a, and 1b, and this section, and must not address matters to be determined by the council under section 473.823, subdivision 6. The statement must address matters respecting permitting under section 473.823 only to the extent deemed necessary for the siting decision required by subdivision 3. The pollution control agency and the council shall assist and advise counties in the scoping decision and the preparation notice. The site selection authority established in subdivision 3, or the council, if it makes the selection under subdivision 3, shall prepare a record of decision, including specific findings of fact, that identifies how the environmental impact statement required by this subdivision was used by the site selection authority to make its site selection decision.

Sec. 44. Minnesota Statutes 1988, section 473.843, subdivision 1, is amended to read:

Subdivision 1. [AMOUNT OF FEE; APPLICATION.] The operator of a mixed municipal solid waste disposal facility in the metropolitan area shall pay a fee on solid waste accepted and disposed at the facility as follows:

(a) A facility that weighs the waste that it accepts must pay a fee of ~~50 cents~~ \$2 per cubic yard based on equivalent cubic yards of waste accepted at the entrance of the facility.

(b) A facility that does not weigh the waste but that measures the volume of the waste that it accepts must pay a fee of ~~50 cents~~ \$2 per cubic yard of waste accepted at the entrance of the facility.

(c) Waste residue from energy and resource recovery facilities at which solid waste is processed for the purpose of extracting, reducing, converting to energy, or otherwise separating and preparing

solid waste for reuse, or from recycling facilities at which recyclable materials are separated or processed for the purposes of recycling, is exempt from one-half of the amount of the fee imposed by this subdivision if there is at least an 85 percent volume reduction in the solid waste processed. To qualify for exemption under this clause, waste residue must be brought to a disposal facility separately. The commissioner of revenue, with the advice and assistance of the council and the agency, shall prescribe procedures for determining the amount of waste residue qualifying for exemption.

Sec. 45. Minnesota Statutes 1988, 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:

(a) ~~one-half three-fourths~~ of the proceeds must be deposited in the landfill abatement fund established in section 473.844; and

(b) ~~one-half one-fourth~~ of the proceeds must be deposited in the metropolitan landfill contingency action fund established in section 473.845.

Sec. 46. Minnesota Statutes 1988, section 473.844, subdivision 1a, is amended to read:

Subd. 1a. [USE OF FUNDS.] (a) The money in the fund may be spent only for the following purposes:

(1) assistance to any person for resource recovery projects funded under subdivision 4 or projects to develop and coordinate markets for reusable or recyclable waste materials, including related public education, planning, and technical assistance;

(2) grants to counties under section 473.8441; and

(3) program administration by the metropolitan council;

(4) public education on solid waste reduction and recycling; and

(5) solid waste research.

(b) The council shall allocate 50 percent of the annual revenue received by the fund for grants to counties under section 473.8441.

Sec. 47. Minnesota Statutes 1988, section 473.8441, subdivision 5, is amended to read:

Subd. 5. [GRANT ALLOCATION PROCEDURE.] (a) The council shall distribute the funds annually so that each qualifying county receives a base amount of \$25,000 an equal share of 50 percent of the council's allocation to the program described in this section, plus a proportionate share of the remaining funds available for the program. A county's proportionate share is an amount that has the same proportion to the total remaining funds as the number of households in the county has to the total number of households in all metropolitan counties. The council shall distribute the funds in two parts.

(b) The first distribution consists of the base amount plus one-third of the county's proportionate share. To qualify for the first distribution, a county must submit an application for council approval before December 1, 1987. Not more than one-half of the first distribution may be spent for planning and consultants.

(c) The second distribution consists of the remaining funds available for the program. To qualify for the second distribution, a county must have received funds under the first distribution and must submit for council approval by December 1, 1988, a report on expenditures and activities under the program, a local recycling implementation strategy as required by section 473.803, subdivision 1c, and a proposed performance funding system that will allocate all of the remaining funds available under the program for recycling implementation activities in accordance with performance. To qualify for distribution of funds, a county, by August 15 of each year, must submit for council approval a report on expenditures and activities under the program during the preceding fiscal year and any proposed changes in its recycling implementation strategy or performance funding system.

Sec. 48. Minnesota Statutes 1988, section 473.845, subdivision 2, is amended to read:

Subd. 2. [WATER SUPPLY MONITORING AND HEALTH ASSESSMENTS.] Up to ten percent of the money in the fund may be appropriated to the commissioner of health for water supply monitoring and health assessments. The commissioner shall monitor the quality of water in public water supply wells and may monitor private water supply wells in the metropolitan area that may be affected by their location in relation to a facility for mixed municipal solid waste. Testing under this subdivision must be for substances not funded under the Federal Safe Drinking Water Act. The health assessments may be conducted in areas that may be affected by contaminants from mixed municipal solid waste facilities.

Sec. 49. Minnesota Statutes 1988, section 473.848, is amended to read:

473.848 [RESTRICTION ON DISPOSAL.]

Subdivision 1. [RESTRICTION.] After January 1, 1990, no person may dispose of unprocessed mixed municipal solid waste at waste disposal facilities located in the metropolitan area may not accept mixed municipal solid waste for disposal unless:

(1) the waste has been certified as unprocessable by a county under subdivision 2; or

(2)(i) the waste has been transferred to the disposal facility from a resource recovery facility identified by the council;

(ii) no other resource recovery facility in the metropolitan area is capable of processing the waste; and

(iii) the waste has been certified as unprocessable by the operator of the resource recovery facility under subdivision 3.

For purposes of this section, mixed municipal solid waste does not include street sweepings, construction debris, mining waste, foundry sand, and other materials, if they are not capable of being processed by resource recovery as determined by the council.

Subd. 2. [COUNTY CERTIFICATION; COUNCIL APPROVAL.] Each county that has not implemented designation of all or a portion of its mixed municipal solid waste to a resource recovery facility shall submit a semiannual certification report to the council detailing the quantity of waste generated in the county that was not processed prior to transfer to a disposal facility during the six months preceding the report, the reasons the waste was not processed, a strategy for development of techniques to ensure processing of waste including a specific timeline for implementation of those techniques, and any progress made by the county in reducing the amount of unprocessed waste.

The council shall approve a county's report if it determines that the county is reducing and will continue to reduce the amount of unprocessed waste, based on the report and the county's progress in development and implementation of techniques to reduce the amount of unprocessed waste transferred to disposal facilities. If the council does not approve a county's report, it shall negotiate with the county to develop and implement specific techniques to reduce unprocessed waste. If the council does not approve three or more consecutive reports from any one county, the council shall develop specific reduction techniques that are designed for the particular needs of the county. The county shall implement those techniques by specific dates to be determined by the council.

Subd. 3. [FACILITY CERTIFICATION; COUNTY REPORTS.] The operator of each resource recovery facility that receives waste from counties in the metropolitan area shall certify as unprocessable

each load of mixed municipal solid waste it does not process. Certification must be made to each county that sends its waste to the facility at intervals specified by the county. Certification must include at least the number and size of loads certified as unprocessable, including those that would otherwise have been processed but were not processed because the facility was not in operation, and the reasons the waste is unprocessable.

Each county that sends its waste to a resource recovery facility shall submit a semiannual report to the council detailing the quantity of waste generated within the county that was not processed during the six months preceding the report, the reasons the waste was not processed, and a strategy for reducing the amount of unprocessed waste.

Subd. 4. [COUNCIL REPORT.] The council shall include, as part of its report to the legislative commission on waste management required under section 473.149, an accounting of the quantity of unprocessed mixed municipal solid waste transferred to disposal facilities, the reasons the waste was not processed, a strategy for reducing the amount of unprocessed waste, and progress made by counties to reduce the amount of unprocessed waste. The council may adopt standards for determining when waste is unprocessable and procedures for expediting certification and reporting of unprocessed waste.

Sec. 50. Laws 1984, chapter 644, section 85, as amended by Laws 1987, chapter 348, section 50, is amended to read:

Sec. 85. [EFFECTIVE DATE.]

Sections 1 to 45, 48 to 51, 56 to 72, and 78 to 84 are effective the day following final enactment. Sections 46, 47, and 73 to 77 are effective January 1, 1985, except that the fees imposed in sections 46, 47, and 73 shall be effective January 1, 1990 1991, with respect to nonhazardous solid waste from metalcasting facilities. Prior to January 1, 1990 1991, an operator of a facility that is located in the metropolitan area for the disposal of mixed municipal solid waste shall deduct from the disposal charge for nonhazardous solid waste from metalcasting facilities the fee imposed under sections 46, 47, and 73.

Section 52 is effective for taxable years after December 31, 1983. Section 55 is effective for sales after June 30, 1984. Sections 53 and 54 are effective for taxable years after December 31, 1984.

Sec. 51. [SOLID WASTE MANAGEMENT DISTRICT; STUDY.]

The agency shall conduct a study of the legislation authorizing the establishment of solid waste management districts, Minnesota

Statutes, sections 115A.62 to 115A.72, and related mechanisms, such as joint powers agreements authorized by section 471.59, to determine their effectiveness in the area of solid waste management. By December 1, 1989, the agency shall report its findings, together with any recommendation for legislation, to the legislative commission on waste management.

Sec. 52. [METROPOLITAN COUNCIL; SOLID WASTE POLICY PLAN.]

At the earliest practical date, the metropolitan council shall amend its solid waste management policy plan, required under section 473.149, to include a definition of and standards and criteria for a buffer area as that term is used in relation to the inventory of solid waste disposal sites in section 473.149, subdivision 2b, and other related state law. The standards and criteria for a buffer area must ensure, at a minimum, protection of surrounding land uses from adverse or incompatible impacts due to landfill operation and related activities.

Sec. 53. [REPEALER.]

Minnesota Statutes 1988, sections 115A.98; and 115B.29, subdivision 2, are repealed.

Sec. 54. [INSTRUCTION TO REVISOR.]

The revisor of statutes is directed to change the words "hazardous substance" whenever they appear in Minnesota Statutes, sections 13.771 and 115B.28 to 115B.33, to "harmful substance" in Minnesota Statutes 1990 and subsequent editions to the statutes.

Sec. 55. [EFFECTIVE DATE; APPLICATION.]

Section 4 is effective January 1, 1990.

Section 15 is effective June 30, 1989, and subdivision 2 of that section applies to a waste disposal facility whose fiscal year ends on or after that date.

Sections 16 and 36 are effective the day following final enactment and apply to all response actions initiated or pending on or after that date.

Sections 17 and 18 are effective the day following final enactment and section 18, paragraph (l), applies to expenditures resulting from emergencies that occur after January 1, 1988.

Sections 43 and 52 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to waste management; defining waste reduction; extending the expiration date of waste advisory councils; authorizing counties to designate waste to landfills; requiring financial reports from landfills; clarifying the limits of political subdivision liability for superfund cleanup at landfills; authorizing the pollution control agency to acquire interests in real estate necessary for superfund; authorizing superfund to reimburse political subdivisions for costs incurred in responding to emergency releases of hazardous materials; making claims for injuries due to petroleum contamination eligible for compensation by the harmful substances compensation fund; authorizing transfer of money from the petroleum tank release cleanup fund; altering the metropolitan council's authority for solid waste planning; raising the solid waste disposal fee in the metropolitan area; clarifying the 1990 ban on disposal of unprocessed waste in the metropolitan area; extending the date until which metalcasters are not liable for payment of solid waste generator fees; requiring a study of solid waste management district legislation; amending Minnesota Statutes 1988, sections 115A.03, by adding a subdivision; 115A.12, subdivision 1; 115A.14, subdivision 2; 115A.46, subdivision 2; 115A.80; 115A.81, subdivision 2; 115A.83; 115A.84; 115A.85, subdivision 2; 115A.86, subdivisions 3 and 5; 115A.893; 115A.906, by adding a subdivision; 115A.94, by adding a subdivision; 115B.04, subdivision 4; 115B.17, by adding a subdivision; 115B.20, subdivision 2; 115B.25, subdivisions 1, 2, 7, and by adding subdivisions; 115B.26; 115B.27, subdivision 1; 115B.28, subdivision 2; 115B.29, subdivision 1; 115B.30, subdivision 3; 115B.34, subdivision 2; 115C.08, subdivision 4, and by adding a subdivision; 116.07, by adding a subdivision; 466.04, subdivision 1; 473.149, subdivisions 2d and 2e; 473.803, by adding a subdivision; 473.823, subdivision 3; 473.831, subdivision 2; 473.833, subdivisions 2 and 2a; 473.843, subdivisions 1 and 2; 473.844, subdivision 1a; 473.8441, subdivision 5; 473.845, subdivision 2; and 473.848; Laws 1984, chapter 644, section 85, as amended; proposing coding for new law in Minnesota Statutes, chapter 115A; repealing Minnesota Statutes 1988, sections 115A.98; and 115B.29, subdivision 2."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 618, A bill for an act relating to corrections; requiring the commissioner of corrections to make high school diploma equivalency programs available to inmates; denying "good time" sentence reductions to inmates who do not have a high school diploma and

who fail to participate in these educational programs; amending Minnesota Statutes 1988, sections 244.03; and 244.04, subdivision 1, and by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 630, A bill for an act relating to elections; changing or clarifying provisions governing absentee voting, mail elections, election day activities, ballots, canvassing, municipal elections, school district elections, voting systems, election contests, and financial reporting; amending Minnesota Statutes 1988, sections 204B.27, by adding a subdivision; 204B.40; 204B.46; 204C.06, subdivision 1; 204C.31, by adding a subdivision; 204C.36; 204C.361; 204D.08, subdivision 1; 204D.23, by adding a subdivision; 204D.27, subdivision 9; 205.16, by adding a subdivision; 205A.07, by adding a subdivision; 206.57, subdivision 1; 206.66; 206.90, subdivision 3; 209.021, subdivision 1; 211A.02, subdivision 1; 211A.05, subdivision 1; and 211B.11, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 202A; 203B; and 206.

Reported the same back with the following amendments:

Page 1, after line 18, insert:

"Section 1. Minnesota Statutes 1988, section 10A.02, subdivision 8, is amended to read:

Subd. 8. The board shall:

(a) Report at the close of each fiscal year to the legislature, the governor and the public concerning the action it has taken, the names, salaries, and duties of all individuals in its employ and the money it has disbursed. The board shall include and identify in its report any other reports it has made during the fiscal year. It may indicate apparent abuses and offer legislative recommendations;

(b) Prescribe forms for statements and reports required to be filed under sections 10A.01 to 10A.34 and make the forms available to individuals required to file them;

(c) Make available to the individuals required to file the reports and statements a manual setting forth the recommended uniform methods of bookkeeping and reporting;

(d) Develop a filing, coding and cross-indexing system consistent with the purposes of sections 10A.01 to 10A.34;

(e) Make the reports and statements filed with it available for public inspection and copying by the end of the second day following the day on which they were received. Any individual may copy a report or statement by hand or by duplicating machine and the board shall provide duplicating services at cost for this purpose. No information copied from reports and statements shall be sold or utilized by any individual or association for any commercial purpose. “Commercial purpose” does not include purposes related to elections, political activities, or law enforcement. Any individual or association violating the provisions of this clause may be subject to a civil penalty of up to \$1,000. An individual who knowingly violates this subdivision is guilty of a misdemeanor;

(f) Notwithstanding the provisions of section 138.163, preserve reports and statements for a period of five years from the date of receipt;

(g) Compile and maintain a current list and summary of all statements or parts of statements pertaining to each candidate; and

(h) Prepare and publish reports as it may deem appropriate.”

Page 10, line 34, strike “that” and insert “who intentionally”

Page 11, line 18, after “more” insert “, and which have been donated to the state without cost”

Page 11, after line 21, insert:

“Sec. 24. [REPEALER.]

Minnesota Statutes 1988, section 211B.11, subdivision 2, is repealed.

Sec. 25. [EFFECTIVE DATE.]

Sections 1 to 24 are effective the day following final enactment.”

Renumber the remaining sections

Amend the title as follows:

Page 1, line 7, after “sections” insert “10A.02, subdivision 8;”

Page 1, line 17, before the period insert “; repealing Minnesota Statutes 1988, section 211B.11, subdivision 2”

With the recommendation that when so amended the bill pass.

The report was adopted.

Otis from the Committee on Economic Development to which was referred:

H. F. No. 652, A bill for an act relating to employment; providing funding for the Bemidji Area Indian Employment Council; appropriating money.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Labor-Management Relations.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 695, A bill for an act relating to education; reducing the Askov school board from seven to six members; requiring local approval.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 764, A bill for an act relating to medical assistance for needy persons; proposing changes to the method for calculating a nursing home's property-related payment rate upon refinancing; amending Minnesota Statutes 1988, section 256B.431, subdivisions 3f and 3g.

Reported the same back with the following amendments:

Page 3, strike lines 1 to 6

Page 3, line 23, after "limit" insert "divided by their capacity days as determined under Minnesota Rules, part 9549.0060, subpart 11, as modified by subdivision 3f, paragraph (c), for the preceding reporting year,"

Page 4, line 24, after "limitation" insert "on historical cost of capital assets, plus issuance costs as limited"

Page 5, line 2, after "under" insert "Minnesota Rules, part 9549.0060, subpart 11, as modified by"

Page 5, after line 5, insert:

"Sec. 3. [NOTIFICATION OF NURSING HOMES.]

Within five working days after final enactment of this act, the commissioner of human services shall notify all nursing homes that are potentially eligible for a property-rate adjustment under section 2 of the provisions of this act."

Page 5, line 6, delete "3" and insert "4"

Page 5, line 7, delete "and 2" and insert "to 3"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 765, A bill for an act relating to the Western Lake Superior Sanitary District; authorizing the district to issue refunding obligations without redemption of outstanding obligations prior to maturity; amending Laws 1971, chapter 478, section 9a, subdivision 4, as added; and section 13, subdivision 4.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 819, A bill for an act relating to Hennepin county; providing for the number of commissioners of the county housing and redevelopment authority; amending Minnesota Statutes 1988, section 383B.77, by adding a subdivision.

Reported the same back with the recommendation that the bill

pass and be placed on the Consent Calendar.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 832, A bill for an act relating to Ramsey county; authorizing the use of certain property for public purposes.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Environment and Natural Resources.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 862, A bill for an act relating to statutes; revising the text of certain laws to remove redundant and obsolete language, to simplify grammar and syntax, and to improve the style of language without causing changes in the meaning of the laws; amending Minnesota Statutes 1988, chapters 226; 230; 233; 234; 235; 236; and 366, as amended.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 907, A bill for an act relating to public safety; providing for authority to regulate pipelines; imposing penalties; amending Minnesota Statutes 1988, sections 116I.01, subdivision 3; 116I.05; 216D.01, subdivisions 9 and 10, and by adding a subdivision; 299F.56, subdivisions 5 and 6a; 299F.57; 299F.59, subdivision 1; 299F.60; 299F.61; 299F.62; 299F.63; 299F.631; 299F.641; 299J.01; 299J.03, subdivision 2; 299J.04; 299J.06, subdivision 2; 299J.08; 299J.10; 299J.11; 299J.12; and 299J.16; proposing coding for new law in Minnesota Statutes, chapter 216D; repealing Minnesota Statutes 1988, sections 299J.05 and 299J.09.

Reported the same back with the following amendments:

Page 2, delete lines 30 to 35 and insert:

"Subdivision 1. [PENALTY.] A person that is engaged in excavation for remuneration or an operator other than an operator subject to section 299F.59, subdivision 1, that violates sections 216D.01 to 216D.07 is subject to a civil penalty to be imposed by the commissioner not to exceed \$500 for each violation per day of violation."

Page 3, delete lines 18 to 30

Page 4, line 11, delete "in the state of Minnesota" and insert "court in the district"

Page 4, line 12, after "business" insert "in the state"

Page 7, line 10, strike the second "and"

Page 7, line 14, strike the period and insert "; and"

Page 7, after line 14, insert:

"(d) comply with sections 216D.01 to 216D.07, the one call excavation notice system."

Page 20, line 5, strike "at times".

Page 20, line 6, before "specified" insert "as"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 931, A bill for an act relating to motor vehicles; requiring owner to retain certificate of title, rather than secured party; requiring buyer to deliver certificate of title to department of public safety; allowing commissioner of public safety to suspend or revoke certificate of title if owner does not surrender it and vehicle is involuntarily transferred; amending Minnesota Statutes 1988, sections 168A.02, subdivision 1; 168A.04, subdivision 2; 168A.05, subdivision 5; 168A.06; 168A.09; 168A.10; 168A.11, subdivision 1; 168A.12, subdivision 2; 168A.14; 168A.18; 168A.20, subdivision 1, and by adding subdivisions; 168A.23, subdivision 1; repealing Minnesota Statutes 1988, sections 168A.26; 168A.27; and 168A.28.

Reported the same back with the following amendments:

Page 8, line 4, delete "AUGUST 1, 1989" and insert "JULY 1,

1990”

Page 8, line 5, delete “August 1, 1989” and insert “July 1, 1990”

Page 8, after line 32, insert:

“Sec. 16. [EFFECTIVE DATE.]

Sections 1 to 15 are effective July 1, 1990, except that the registrar of motor vehicles may take action to revise certificate of title, assignment and warranty of title, and application for title forms and other title documents prior to July 1, 1990.”

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. 942, A bill for an act relating to metropolitan government; extending the responsibility of the mosquito control district to disease vectoring ticks; amending Minnesota Statutes 1988, sections 473.702; 473.704; and 473.711, subdivision 2.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1066, A bill for an act relating to sentencing; requiring certain county advisory boards and the commissioner of corrections to gather data on the capacity and usage of local correctional resources and alternative sentencing programs; requiring the sentencing guidelines commission to assist in the performance of these tasks; requiring the commission to develop nonimprisonment guideline options for legislative consideration; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 244.

Reported the same back with the following amendments:

Page 1, line 28, delete everything after the headnote and insert “The corrections administrator for each county or group of counties participating in chapter 401”

Page 2, delete line 1

Page 2, line 2, delete "subdivision 1"

Page 2, line 4, delete "represented by the board" and insert "served by the administrator"

Page 2, line 6, delete "are not subject to" and insert "do not participate in"

Page 2, line 8, delete "advisory boards" and insert "corrections administrators"

Page 2, line 10, delete "advisory boards" and insert "corrections administrators"

Page 3, line 16, delete "advisory boards" and insert "administrators"

Amend the title as follows:

Page 1, line 3, delete "advisory boards" and insert "corrections administrators"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1104, A bill for an act relating to Ramsey county; increasing the size of the personnel board; permitting the personnel director to issue certain subpoenas; amending Minnesota Statutes 1988, sections 383A.287, subdivision 2; and 383A.294, by adding a subdivision.

Reported the same back with the following amendments:

Page 2, line 4, before the period insert "in a board hearing" and after the period insert "The director shall issue a subpoena when requested by either party in a board hearing."

With the recommendation that when so amended the bill pass.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1115, A bill for an act relating to Dakota county; permitting the county to pay costs of a morgue; proposing coding for new law in Minnesota Statutes, chapter 383D.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Olson, K., from the Committee on Education to which was referred:

S. F. No. 149, A bill for an act relating to education; authorizing the Minneapolis school district to pay health insurance premium subsidies more often than annually; amending Minnesota Statutes 1988, section 275.125, subdivision 6h.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 13, 46, 128, 243, 266, 278, 306, 484, 630, 695, 764, 765, 819, 862, 931, 942, 1104 and 1115 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. No. 149 was read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Jefferson, Clark, Trimble, O'Connor and Osthoff introduced:

H. F. No. 1199, A bill for an act relating to the cities of Minneapolis and Saint Paul; authorizing housing and rehabilitation loan and grant programs; providing for the issuance of bonds; amending Laws 1974, chapter 285.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Pugh and Blatz introduced:

H. F. No. 1200, A bill for an act relating to health-care information; providing conditions for the disclosure of health-care information; enacting the Uniform Health-Care Information Act; providing penalties; proposing coding for new law as Minnesota Statutes, chapter 143.

The bill was read for the first time and referred to the Committee on Judiciary.

Trimble, Vellenga and Vanasek introduced:

H. F. No. 1201, A bill for an act relating to the environment; regulating genetic engineering; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116C.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

McDonald, McEachern, McPherson, McGuire and McLaughlin introduced:

H. F. No. 1202, A bill for an act relating to humanity's greatest boast, the Irish people and their patron, St. Patrick; making St. Patrick's Day a holiday; amending Minnesota Statutes 1988, section 645.44, subdivision 5.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Pugh, Orenstein, Seaberg and Kelly introduced:

H. F. No. 1203, A bill for an act relating to nonprofit corporations; providing for the organization, operation, and dissolution of nonprofit corporations; imposing penalties; appropriating money; amending Minnesota Statutes 1988, sections 8.31, subdivision 1; 79A.09, subdivision 1; 257.03; 309.67; 319A.20; 354A.021, subdivision 2; and 469.144, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 317A; repealing Minnesota Statutes 1988, sections 317.01 to 317.69.

The bill was read for the first time and referred to the Committee on Commerce.

Scheid, Osthoff, Pugh and Murphy introduced:

H. F. No. 1204, A bill for an act relating to labor; regulating apprentice programs; amending Minnesota Statutes 1988, section 178.03, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Tunheim; Olson, E., and Boo introduced:

H. F. No. 1205, A bill for an act relating to education; establishing a state system of post-secondary vocational technical education; amending Minnesota Statutes 1988, sections 43A.08, subdivision 1; 136C.02, subdivision 5; 136C.04, subdivisions 2, 3, 5, 12, 13, 14, and by adding a subdivision; 136C.08, subdivision 1; 136C.15; 136C.26, subdivision 5; 136C.31, subdivision 1; 136C.41, by adding a subdivision; 136C.42, subdivisions 3 and 4; 136C.44; 179A.10, subdivisions 1 and 2; and 275.125, subdivision 14a; proposing coding for new law in Minnesota Statutes, chapter 136C; repealing Minnesota Statutes 1988, sections 136C.02, subdivisions 6, 7, 8, and 9; 136C.04, subdivision 16; 136C.041; 136C.05; 136C.07, subdivisions 1, 2, 3, 4, 5, 5a, and 6; 136C.25; 136C.29; 136C.36; 136C.60; 136C.61; 136C.62; 136C.63; 136C.64; 136C.65; 136C.66; 136C.67; 136C.68; and 136C.69.

The bill was read for the first time and referred to the Committee on Education.

Reding; Simoneau; Knickerbocker; Johnson, R., and O'Connor introduced:

H. F. No. 1206, A bill for an act relating to retirement; public employees retirement association; adding employees of the association of metropolitan municipalities and the Minnesota association of townships as members; amending Minnesota Statutes 1988, section 353.01, subdivision 2a.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Morrison, Battaglia, Tompkins, Seaberg and Ozment introduced:

H. F. No. 1207, A bill for an act relating to counties; providing conditions for the disposition of county property; amending Minnesota Statutes 1988, section 373.01, subdivision 1.

The bill was read for the first time and referred to the Committee

on Local Government and Metropolitan Affairs.

Orenstein introduced:

H. F. No. 1208, A bill for an act relating to courts; removing the disqualification for jury service for attorneys; amending Minnesota Statutes 1988, section 593.41, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

Olson, K.; Steensma; Olson, E.; McEachern and Hugoson introduced:

H. F. No. 1209, A bill for an act relating to education; modifying the fund balance reduction; amending Minnesota Statutes 1988, section 124A.26, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

Munger; Anderson, G.; Jaros; Battaglia and Boo introduced:

H. F. No. 1210, A bill for an act relating to the environment; authorizing participation in the Great Lakes Protection Fund; appropriating money.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Begich and Rukavina introduced:

H. F. No. 1211, A bill for an act relating to recreational vehicles; providing for temporary permits to operate snowmobiles or all-terrain vehicles; amending Minnesota Statutes 1988, sections 84.82, subdivision 1a, and by adding a subdivision; and 84.922, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Olson, E., introduced:

H. F. No. 1212, A bill for an act relating to natural resources; authorizing a grant to the Red Lake watershed district, Clearwater

county, to construct an improved and enlarged lake on Walker Brook; authorizing the sale of state bonds; appropriating money.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Kelly and Vellenga introduced:

H. F. No. 1213, A bill for an act relating to public safety; alcohol assessment and treatment; allowing courts as a sentencing option to order criminal defendants into treatment upon certification to the local agency and the commissioner of human services; amending Minnesota Statutes 1988, section 169.126, by adding a subdivision; 254B.03, subdivision 1; 609.10; and 609.115, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Greenfield, Orenstein, Ogren, Gruenes and Segal introduced:

H. F. No. 1214, A bill for an act relating to human services; authorizing the establishment of congregate housing service programs under the administration of the Minnesota board on aging, for elderly and handicapped persons living in subsidized housing developments; establishing a congregate services advisory committee; authorizing a congregate housing resource center; establishing a grant program for congregate housing services; authorizing demonstration projects; requiring a report; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Skoglund introduced:

H. F. No. 1215, A bill for an act relating to taxation; income; providing an additional deduction for certain stock dividends of affiliated companies; amending Minnesota Statutes 1988, section 290.21, subdivision 4.

The bill was read for the first time and referred to the Committee on Taxes.

Marsh introduced:

H. F. No. 1216, A bill for an act relating to state lands; conveying title to state land in St. Cloud.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Marsh introduced:

H. F. No. 1217, A bill for an act relating to state lands; authorizing exchange of state property with city of St. Cloud.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Reding introduced:

H. F. No. 1218, A bill for an act relating to retirement; public pension plans; establishing, codifying, clarifying, and revising the obligations, responsibilities, and liabilities of public pension plan fiduciaries; amending Minnesota Statutes 1988, sections 11A.01; 11A.04; 11A.07, subdivision 4; 11A.08, subdivision 6; 11A.09; 11A.13, subdivision 1; 69.30; 69.77, subdivision 2g; 69.775; 136.80, subdivision 1; 136.84; 352.03, subdivisions 1, 4, 6, 7, and 11; 352.05; 352.92, by adding a subdivision; 352.96, subdivision 3; 352B.03, subdivision 1; 352B.07; 352C.091, subdivision 1; 352D.09, subdivision 1; 353.03, subdivisions 1 and 3a; 353.05; 353.06; 353.08; 353.68, subdivision 1; 354.06, subdivisions 1, 2a, and 3; 354.07, subdivisions 3 and 4; 354A.021, subdivision 6; 354A.08; 422A.05, subdivisions 2a, 2c, and 2d; 423.374; 423.45; 423.805; 423A.21, subdivision 4; 424.06; 424A.001, subdivision 7; 424A.04, subdivision 2; 490.122; and 490.123, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 3A and 490; proposing coding for new law as Minnesota Statutes, chapter 356A; repealing Minnesota Statutes 1988, sections 356.71 and 423.812.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Miller, by request, introduced:

H. F. No. 1219, A bill for an act relating to the city of Redwood Falls; exempting certain levies from a penalty.

The bill was read for the first time and referred to the Committee on Taxes.

Krueger, Williams, Sparby and Otis introduced:

H. F. No. 1220, A bill for an act relating to economic development;

providing for funding to the Minnesota marketplace program; appropriating money.

The bill was read for the first time and referred to the Committee on Economic Development.

Olson, K.; McEachern; Pelowski; Ostrom and Ozment introduced:

H. F. No. 1221, A bill for an act relating to education; allowing school districts to be considered providers under the state medical assistance plan; proposing coding for new law in Minnesota Statutes, chapter 124.

The bill was read for the first time and referred to the Committee on Education.

Janezich, Murphy, Rukavina, Battaglia and Jaros introduced:

H. F. No. 1222, A bill for an act relating to St. Louis county; regulating budget procedures; providing for certain recorder's fees; proposing coding for new law in Minnesota Statutes, chapter 383C; repealing Minnesota Statutes 1988, sections 383C.01, 383C.011, 383C.012, 383C.013, 383C.014, 383C.015, 383C.016, 383C.017, 383C.018, and 383C.019.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Janezich, Murphy, Rukavina, Battaglia and Jaros introduced:

H. F. No. 1223, A bill for an act relating to St. Louis county; allowing the county to assess the cost of maintenance of television relay service.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Bauerly, McEachern, Ozment and Nelson, K., introduced:

H. F. No. 1224, A bill for an act relating to education; modifying transportation formula provisions; amending Minnesota Statutes 1988, sections 124.225; and 275.125, subdivisions 5, 5b, and 5c.

The bill was read for the first time and referred to the Committee on Education.

Peterson, Skoglund, Quinn and Blatz introduced:

H. F. No. 1225, A bill for an act relating to insurance; regulating cancellations of insurance agency contracts; amending Minnesota Statutes 1988, section 60A.172.

The bill was read for the first time and referred to the Committee on Insurance.

Rest introduced:

H. F. No. 1226, A bill for an act relating to appropriations; providing funds for Twin Cities Regional Cable.

The bill was read for the first time and referred to the Committee on Appropriations.

McEachern, Gruenes, Stanius, Bauerly and Frerichs introduced:

H. F. No. 1227, A bill for an act relating to local government aid; including certain towns with cities for purposes of the distribution formula; amending Minnesota Statutes 1988, section 477A.011, subdivision 1a.

The bill was read for the first time and referred to the Committee on Taxes.

Dawkins and Rukavina introduced:

H. F. No. 1228, A bill for an act relating to housing; creating a housing initiative grant program; appropriating money; amending Minnesota Statutes 1988, sections 462A.05, by adding a subdivision; and 462A.21, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Reding introduced:

H. F. No. 1229, A bill for an act relating to the organization and operation of state government; department of employee relations; establishing a public pension plan bureau within the department; requiring continuing monitoring and oversight of public pension plans by the bureau; amending Minnesota Statutes 1988, sections 43A.01, subdivision 1; 43A.02, subdivision 1, and by adding subdivisions; 43A.03, subdivisions 2, 3, and 4; 43A.04, subdivisions 1, 3, and 7; 43A.17, subdivision 9; proposing coding for new law in

Minnesota Statutes, chapter 43A; repealing Laws 1987, chapter 186, section 11.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Bauerly; Bertram; Nelson, C.; Wenzel and Winter introduced:

H. F. No. 1230, A bill for an act relating to protection of groundwater; protecting sensitive areas; promoting and requiring certain best management practices; providing financial assistance for certain groundwater protection activities; authorizing local government groundwater and resource protection programs; providing for determination of water research needs; developing a water education curriculum; regulating wells, borings, and underground drillings and uses; regulating, enforcing violation, and establishing civil and criminal penalties for violations relating to pesticide, fertilizer, soil amendment, and plant amendment manufacture, storage, sale, use, and misuse; providing a mechanism to aid cleanup and response to incidents relating to agricultural chemicals; providing a task force relating to sustainable agriculture; providing penalties; appropriating money; amending Minnesota Statutes 1988, sections 18B.01, subdivisions 12 and 26, and by adding subdivisions; 18B.04; 18B.07, subdivisions 2, 4, and 5; 18B.08, subdivisions 1 and 4; 18B.17, subdivision 2; 18B.18; 18B.20, subdivisions 1, 2, and 3; 18B.21; 18B.25, subdivision 5; 18B.26, subdivisions 1, 3, and 5, and by adding a subdivision; 18B.31, subdivisions 3 and 5; 18B.32, subdivision 2; 18B.33, subdivisions 3 and 7; 18B.34, subdivisions 2 and 5; 18B.36, subdivisions 1 and 2; 18B.37, subdivisions 1, 2, and 3; 115B.20; 116C.41, subdivision 1; 116E.02; 116E.03; 144.381; 144.382, subdivision 1, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 17; 18B; and 144; proposing coding for new law as Minnesota Statutes, chapters 18C; 18D; 103A; 103B; 103H; and 103I; repealing Minnesota Statutes 1988, sections 17.711 to 17.73; 18A.49; 18B.05; 18B.15; 18B.16; 18B.19; 84.57 to 84.621; 105.51, subdivision 3; and 156A.01 to 156A.11.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Schafer; Schreiber; Olsen, S.; Runbeck and Frederick introduced:

H. F. No. 1231, A bill for an act relating to education; increasing the formula allowance; providing an incentive for class size reductions and program improvements; encouraging an emphasis on the teaching of English, math, social studies, and science; providing additional funds for districts offering a comprehensive curriculum; requiring statewide assessment for grades six and ten; lengthening

time-on-task; restoring a categorical aid for gifted and talented programs; adjusting the minimum allowance for school districts; appropriating money; amending Minnesota Statutes 1988, sections 120.101, subdivisions 5, 6, and by adding a subdivision; 124.17, subdivision 1; 124.19, subdivision 1, and by adding a subdivision; 124A.22, subdivisions 2 and 9; proposing code for new law in Minnesota Statutes, chapters 124 and 124A.

The bill was read for the first time and referred to the Committee on Education.

Kelly, Wynia and Pappas introduced:

H. F. No. 1232, A bill for an act relating to taxation; exempting public parking facilities; amending Minnesota Statutes 1988, sections 272.01, subdivision 2; 459.14, by adding a subdivision; 469.012, by adding a subdivision; and 469.040, subdivision 2.

The bill was read for the first time and referred to the Committee on Taxes.

Simoneau introduced:

H. F. No. 1233, A bill for an act relating to retirement; various statewide or major public pension plans; mandating the establishment of bounce-back optional joint and survivor annuity forms; amending Minnesota Statutes 1988, sections 136.82, subdivision 2; 352.116, subdivision 3; 352B.08, subdivision 3; 353.30, subdivision 3; 354.45, subdivision 1; 354A.32; 422A.17; and 490.124, subdivision 11.

The bill was read for the first time and referred to the Committee on Governmental Operations.

O'Connor, Beard, Sarna, McEachern and Bennett introduced:

H. F. No. 1234, A bill for an act relating to consumer protection; regulating certain rental-purchase agreements; prescribing the rights and duties of all parties; requiring disclosures; regulating advertising; providing remedies; amending Minnesota Statutes 1988, sections 325G.06, subdivision 2; 325G.12, subdivision 2; and 325G.15, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 325F.

The bill was read for the first time and referred to the Committee on Commerce.

Reding and Haukoos introduced:

H. F. No. 1235, A bill for an act relating to traffic regulations; exempting certain combinations hauling milk from seasonal load restrictions; amending Minnesota Statutes 1988, section 169.87, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

Murphy; Williams; Anderson, R.; Greenfield and Rodosovich introduced:

H. F. No. 1236, A bill for an act relating to health; establishing a grant for a prenatal care media campaign; proposing coding for new law in Minnesota Statutes, chapter 144.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Otis; Brown; Munger; Anderson, G., and Rice introduced:

H. F. No. 1237, A bill for an act relating to capital improvements; appropriating money for the port of Duluth; authorizing sale of state bonds.

The bill was read for the first time and referred to the Committee on Economic Development.

Steensma, Bertram and Kostohryz introduced:

H. F. No. 1238, A bill for an act relating to natural resources; allowing members of the Minnesota national guard to camp at state campgrounds for half the regular price; allowing members of the Minnesota national guard to purchase a fishing license for half the regular price; amending Minnesota Statutes 1988; sections 85.052, subdivision 3; 89.21; and 97A.465, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Rukavina, Begich, Solberg, Battaglia and Janezich introduced:

H. F. No. 1239, A bill for an act relating to taxation; property tax; limiting property tax paid by certain retired persons on certain seasonal, recreational, nonhomestead property; providing for state

reimbursement for lost local tax revenue; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 273.

The bill was read for the first time and referred to the Committee on Taxes.

Krueger and Reding introduced:

H. F. No. 1240, A bill for an act relating to economic development; providing for funding of a grant to a nonprofit technology transfer, applied research, and economic development organization; appropriating money.

The bill was read for the first time and referred to the Committee on Economic Development.

Skoglund, Greenfield, Ogren, Vellenga and Anderson, R., introduced:

H. F. No. 1241, A bill for an act relating to public health; changing the structure and authorities of the Minnesota Institute for Addiction and Stress Research; amending Minnesota Statutes 1988, sections 152A.01, subdivisions 1, 2, 3, 6, and by adding subdivisions; 152A.02; 152A.03; and 152A.04; repealing Laws 1988, chapter 689, article 2, section 269, subdivision 5.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Krueger, Vanasek and Kahn introduced:

H. F. No. 1242, A bill for an act relating to state government; creating a legislative budget office; providing for its duties; providing for a director of the legislative budget office and the manner of the director's appointment and service; eliminating the department of finance and transferring its powers and duties to the department of revenue; amending Minnesota Statutes 1988, sections 3.30, subdivision 1; 3.303, subdivision 2; 3.98, subdivisions 1 and 4; 3.982; 15.06, subdivision 1; 270.66, subdivision 1; 282.09, subdivision 1; and 293.06; proposing coding for new law in Minnesota Statutes, chapter 270A; proposing coding for new law as Minnesota Statutes, chapters 3D and 272A; repealing Minnesota Statutes 1988, sections 3.30, subdivision 2; 16A.01; 16A.1281; and 16A.45.

The bill was read for the first time and referred to the Committee on Ways and Means.

Winter and Simoneau introduced:

H. F. No. 1243, A bill for an act relating to state government; requiring agencies to notify members of the legislature of rulemaking proceedings; specifying the contents of the notice; amending Minnesota Statutes, sections 14.14, subdivision 1; 14.16, subdivision 1; 14.22; 14.26; 14.30; 14.32, subdivision 1; and 14.365.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Jefferson, Clark, Greenfield, Trimble and O'Connor introduced:

H. F. No. 1244, A bill for an act relating to human services; endorsing the store-to-door grocery delivery program for elderly and disabled citizens; appropriating money for a grant to expand the program.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Winter, Welle and Steensma introduced:

H. F. No. 1245, A bill for an act relating to workers' compensation; providing a comprehensive reform; providing penalties; appropriating money; amending Minnesota Statutes 1988, sections 62I.02, subdivision 1; 62I.07; 62I.21; 79.01, subdivision 1; 79.074, by adding subdivisions; 79.50; 79.59; 176.011, subdivisions 11a, 18, and by adding a subdivision; 176.021, subdivision 3; 176.061, subdivision 10; 176.081, subdivisions 1, 2, and 3; 176.101, subdivisions 1, 2, 4, 5, and by adding subdivisions; 176.102, subdivisions 2, 4, 6, and 11; 176.105, subdivision 1; 176.111, subdivisions 6, 7, 9a, 12, 14, 15, 20, and 21; 176.131, subdivisions 1, 1a, 2, 3, 5, 8, and by adding a subdivision; 176.135, subdivision 3; 176.136, subdivisions 1, 5, and by adding subdivisions; 176.155, subdivision 1; 176.179; 176.221, subdivision 6a; 176.238, by adding a subdivision; 176.261; 176.421, subdivision 6; 176.645, subdivision 2; 176.66, subdivision 11; 176.83, by adding a subdivision; and 176A.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 62I; 79; and 176; repealing Minnesota Statutes 1988, sections 79.51; 79.52, subdivisions 2 and 12; 79.53; 79.54; 79.55; 79.56; 79.57; 79.58; 79.60; 79.61; 79.62; 176.011, subdivision 26; 176.101, subdivisions 3a to 3u; and 176.111, subdivisions 8 and 8a.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Greenfield; Ogren; Segal; Anderson, R., and McLaughlin introduced:

H. F. No. 1246, A bill for an act relating to children; creating a statewide grant program to provide neighborhood-based support to enhance the health, development, and school readiness of preschool children; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 145.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Wynia, Winter, Schreiber, Sparby and Anderson, G., introduced:

H. F. No. 1247, A bill for an act relating to agriculture; renaming the commissioner and department of agriculture as the commissioner and department of agriculture and food; clarifying the commissioner's authority and responsibilities; providing for demonstration projects to allow women, infants, and children program recipients to redeem coupons for Minnesota grown food; appropriating money; amending Minnesota Statutes 1988, sections 17.01 and 17.013; proposing coding for new law in Minnesota Statutes, chapter 17.

The bill was read for the first time and referred to the Committee on Agriculture.

Kelso; Segal; Olsen, S.; Pugh and McGuire introduced:

H. F. No. 1248, A bill for an act relating to education; providing for cost of living differential revenue; appropriating money; amending Minnesota Statutes 1988, section 124A.22, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 124A.

The bill was read for the first time and referred to the Committee on Education.

Greenfield; Johnson, R.; Ogren and Clark introduced:

H. F. No. 1249, A bill for an act relating to crimes; prohibiting abuse or culpable neglect of patients receiving treatment from licensed health care facilities or programs; providing penalties; amending Minnesota Statutes 1988, sections 609.231; and 626.557, subdivision 19.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Rukavina; Simoneau; Knickerbocker; Johnson, R., and O'Connor introduced:

H. F. No. 1250, A bill for an act relating to retirement; providing partial postretirement adjustments for certain retired public employees; amending Minnesota Statutes 1988, section 11A.18, subdivisions 9 and 10.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Pauly, Kelso, Schreiber, Vellenga and Valento introduced:

H. F. No. 1251, A bill for an act relating to transit; eliminating certain preconditions to regional transit board contracts with recipients of transit assistance; repealing Minnesota Statutes 1988, section 473.384, subdivision 7.

The bill was read for the first time and referred to the Committee on Transportation.

Greenfield, Jefferson, Rodosovich, Ogren and Anderson, R., introduced:

H. F. No. 1252, A bill for an act relating to human services; allowing rate review for nursing homes in involuntary receivership; eliminating the exemption of certain allowable employee pension contributions from care-related cost limits and other operating cost limits; clarifying historical cost of capital assets and issuance costs; providing payment rate adjustments for nursing homes; allowing a one-time adjustment to comply with OBRA; amending Minnesota Statutes 1988, sections 144.50, by adding a subdivision; 144.562, subdivisions 2 and 3; 144.651, subdivision 2; 144A.01, by adding subdivisions; 144A.04, subdivision 7, and by adding a subdivision; 144A.073, subdivision 1; 144A.10, by adding subdivisions; 144A.12, subdivision 1; 144A.15, subdivision 1, and by adding subdivisions; 144A.611; 256B.091, subdivision 3; 256B.25, by adding a subdivision; 256B.431, subdivisions 2c, 2e, 2i, 3a, 3f, 3g, 4, and by adding subdivisions; 256B.47, subdivision 3; and 256B.48, subdivision 6; Laws 1988, chapter 689, article 2, section 269, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 144; 144A; and 256B; repealing Minnesota Statutes 1988, section 144A.10, subdivision 4a.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Pauly, Jennings, Valento, Schreiber and Morrison introduced:

H. F. No. 1253, A bill for an act relating to taxation; property; repealing local government levy limitations; amending Minnesota Statutes 1988, sections 6.62, subdivision 1; 18.023, subdivision 8; 38.27, subdivision 3; 110B.15, subdivision 4; 115.34, subdivision 1; 129A.06, subdivision 2; 134.34, subdivision 5; 145A.08, subdivision 3; 164.041; 273.123, subdivision 7; 275.14; 275.15; 275.16; 275.57; 298.28, subdivision 12; 298.282, subdivisions 2 and 3; 298.39; 298.396; 353A.10, subdivision 3; 360.037, subdivision 2; 375.167, subdivision 1; 412.251; 414.01, subdivision 15; 423.376, subdivision 3; 426.04; 444.075, subdivision 4; 447.34, subdivision 1; 447.35; 465.73; 469.107, subdivision 1; 471.1921; 471.572, subdivision 2; 471.74, subdivision 2; 471A.03, subdivision 4; 473.87; 473.882, subdivision 3; 473F.08, subdivision 3a; 475.74; and 475.754; repealing Minnesota Statutes 1988, sections 134.34, subdivision 6; 275.11; 275.50; 275.51; 275.54; 275.55; 275.56; 275.561; 275.58; and 471A.04.

The bill was read for the first time and referred to the Committee on Taxes.

Pugh and Blatz introduced:

H. F. No. 1254, A bill for an act relating to collection and dissemination of data; enacting the uniform criminal history records act; prescribing penalties; amending Minnesota Statutes 1988, section 13.82, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 13B; repealing Minnesota Statutes 1988, section 13.87.

The bill was read for the first time and referred to the Committee on Judiciary.

Girard, Marsh, Henry and Macklin introduced:

H. F. No. 1255, A bill for an act relating to appropriations; appropriating money to the crime victims reparation board.

The bill was read for the first time and referred to the Committee on Judiciary.

Waltman; Olson, E.; Jennings; Richter and Olson, K., introduced:

H. F. No. 1256, A bill for an act relating to the English language; making it the official language of the state; proposing coding for new law in Minnesota Statutes, chapter 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Pappas, Trimble and Rukavina introduced:

H. F. No. 1257, A bill for an act relating to education; establishing assessment requirements for Braille instruction; amending Minnesota Statutes 1988, section 126.071, subdivision 2, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

Pappas, Clark, Sviggum, Dauner and Macklin introduced:

H. F. No. 1258, A bill for an act relating to health; defining the practice of traditional midwifery; providing for parental rights and informed consent disclosure statement; proposing coding for new law in Minnesota Statutes, chapter 148; repealing Minnesota Statutes 1988, sections 148.30; 148.31; and 148.32.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Janezich, Winter, Steensma, Kinkel and Weaver introduced:

H. F. No. 1259, A bill for an act relating to independent school district No. 701; authorizing a permanent transfer from the pupil transportation fund reserved for bus purchases.

The bill was read for the first time and referred to the Committee on Education.

Onnen, Jennings, Olsen, S.; Valento and McDonald introduced:

H. F. No. 1260, A bill for an act proposing an amendment to the Minnesota Constitution, providing for a unicameral legislature, changing article IV, sections 1, 2, 3, 4, 5, 6, 7, 9, 10, 11, 12, 13, 14, 15, 18, 19, 20, 21, 22, 23, 24, 25, and 26; article VIII, section 1; article IX, sections 1 and 2; and article XI, section 5; providing by statute for a unicameral legislature to consist of 135 members; amending Minnesota Statutes 1988, sections 2.021; and 2.031, subdivision 1.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Jefferson, Kelso, Ogren, Greenfield and Stanius introduced:

H. F. No. 1261, A bill for an act relating to human services; requiring joint, uniform rules for services for persons with a disability; funding work activity and community-based employment services at a level equal to day training and habilitation services; appropriating money; amending Minnesota Statutes 1988, sections 129A.03; 129A.08, subdivision 5; and 252.43; proposing coding for new law in Minnesota Statutes, chapter 252.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Valento introduced:

H. F. No. 1262, A bill for an act relating to retirement; excluding Roseville firefighters from membership in the public employees police and fire fund.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Stanias introduced:

H. F. No. 1263, A bill for an act relating to taxation; allowing a special levy to city of White Bear Lake for certain reserve funds; amending Minnesota Statutes 1988, sections 275.50, subdivision 5, and by adding a subdivision; and 471.572, subdivision 2.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Stanias introduced:

H. F. No. 1264, A bill for an act relating to crime; removing the crime of theft from the definition of "crime of violence" in the gun control law; amending Minnesota Statutes 1988, section 624.712, subdivision 5.

The bill was read for the first time and referred to the Committee on Judiciary.

Frerichs introduced:

H. F. No. 1265, A bill for an act relating to education; approving a capital loan to independent school district No. 533.

The bill was read for the first time and referred to the Committee on Education.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 267, A bill for an act relating to the military; reducing from two years to one year the number of years the adjutant general of the Minnesota national guard is required to serve as a brigadier general before promotion to major general; amending Minnesota Statutes 1988, section 190.07.

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. 29, A bill for an act relating to examiners of title; increasing number of deputy examiners of title in second and fourth judicial districts; amending Minnesota Statutes 1988, section 508.12, subdivision 3.

PATRICK E. FLAHAVEN, Secretary of the Senate

Rest moved that the House refuse to concur in the Senate amendments to H. F. No. 29, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 294, 400 and 644.

PATRICK E. FLAHAVEN, Secretary of the Senate

**FIRST READING OF SENATE BILLS**

S. F. No. 294, A bill for an act relating to animals; providing civil and criminal penalties for the unauthorized release of research animals; amending Minnesota Statutes 1988, section 346.56, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes 1988, section 346.56, subdivision 1.

The bill was read for the first time and referred to the Committee on Health and Human Services.

S. F. No. 400, A bill for an act relating to horse racing; regulating the medication of horses; amending Minnesota Statutes 1988, section 240.24, subdivision 2.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

S. F. No. 644, A bill for an act relating to medical assistance for needy persons; proposing changes to the method for calculating a nursing home's property-related payment rate upon refinancing; amending Minnesota Statutes 1988, section 256B.431, subdivisions 3f and 3g.

The bill was read for the first time.

**SUSPENSION OF RULES**

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Kahn moved that the rule therein be suspended and an urgency be declared so that S. F. No. 644 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Kahn moved that the Rules of the House be so far suspended that S. F. No. 644 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 644 was read for the second time.

S. F. No. 644, A bill for an act relating to medical assistance for needy persons; proposing changes to the method for calculating a nursing home's property-related payment rate upon refinancing; amending Minnesota Statutes 1988, section 256B.431, subdivisions 3f and 3g.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Girard	Krueger	Orenstein	Seaberg
Anderson, G.	Greenfield	Lasley	Osthoff	Segal
Anderson, R.	Gruenes	Lieder	Ostrom	Simoneau
Battaglia	Gutknecht	Limmer	Otis	Skoglund
Bauerly	Hartle	Long	Ozment	Solberg
Begich	Hasskamp	Lynch	Pappas	Sparby
Bennett	Haukoos	Macklin	Pauly	Stanius
Bertram	Heap	Marsh	Pellow	Steenasma
Blatz	Henry	McDonald	Pelowski	Sviggum
Boo	Himle	McEachern	Peterson	Swenson
Brown	Hugoson	McGuire	Poppenhagen	Tjornhom
Burger	Jacobs	McLaughlin	Price	Tompkins
Carlson, D.	Janezich	McPherson	Pugh	Trimble
Carlson, L.	Jaros	Milbert	Quinn	Tunheim
Carruthers	Jefferson	Miller	Redalen	Uphus
Clark	Jennings	Munger	Reding	Valento
Conway	Johnson, A.	Nelson, C.	Rest	Vellenga
Cooper	Johnson, R.	Nelson, K.	Rice	Wagenius
Dauner	Johnson, V.	Neuenschwander	Richter	Waltman
Dawkins	Kahn	O'Connor	Rodosovich	Weaver
Dempsey	Kalis	Ogren	Rukavina	Welle
Dille	Kelly	Olsen, S.	Runbeck	Wenzel
Dorn	Kelso	Olson, E.	Sarna	Williams
Forsythe	Kinkel	Olson, K.	Schafer	Winter
Frederick	Knickerbocker	Omann	Scheid	Wynia
Frichs	Kostohryz	Onnen	Schreiber	Spk. Vanasek

The bill was passed and its title agreed to.

### CONSENT CALENDAR

H. F. No. 897, A bill for an act relating to local government; clarifying certain procedures for adoption of town optional plans of government; amending Minnesota Statutes 1988, sections 367.31, subdivisions 1, 2, 3, and 5; and 367.33, subdivisions 1 and 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 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Bauerly	Blatz	Carlson, D.	Cooper
Anderson, G.	Begich	Boo	Carlson, L.	Dauner
Anderson, R.	Bennett	Brown	Clark	Dawkins
Battaglia	Bertram	Burger	Conway	Dempsey

Dille,	Johnson, R.	Milbert	Peterson	Stanius
Dorn	Johnson, V.	Miller	Poppenhagen	Steenasma
Forsythe	Kahn	Munger	Price	Sviggum
Frederick	Kalis	Nelson, C.	Pugh	Swenson
Frerichs	Kelly	Nelson, K.	Redalen	Tjornhom
Girard	Kelso	Neuenschwander	Reding	Tompkins
Greenfield	Kinkel	O'Connor	Rest	Tunheim
Gruenes	Knickerbocker	Ogren	Rice	Uphus
Gutknecht	Kostohryz	Olsen, S.	Richter	Valento
Hartle	Krueger	Olson, E.	Rodosovich	Vellenga
Hasskamp	Lasley	Olson, K.	Rukavina	Wagenius
Haukoos	Lieder	Omann	Runbeck	Waltman
Heap	Limmer	Onnen	Sarna	Weaver
Henry	Long	Orenstein	Schafer	Welle
Himle	Lynch	Osthoff	Scheid	Wenzel
Hugoson	Macklin	Ostrom	Schreiber	Williams
Jacobs	Marsh	Otis	Seaberg	Winter
Janezich	McDonald	Ozment	Segal	Wynia
Jaros	McEachern	Pappas	Simoneau	Spk. Vanasek
Jefferson	McGuire	Pauly	Skoglund	
Jennings	McLaughlin	Pellow	Solberg	
Johnson, A.	McPherson	Pelowski	Sparby	

The bill was passed and its title agreed to.

### CALENDAR

S. F. No. 121 was reported to the House and given its third reading.

#### UNANIMOUS CONSENT

Gruenes and Dauner requested unanimous consent to offer an amendment. The request was granted.

Gruenes and Dauner moved to amend S. F. No. 121, as follows:

Page 1, line 13, delete "all" and insert "any"

Page 1, line 14, after the period insert "A charge may be certified to the auditor only if, on or before September 15, the town has given written notice to the property owner of its intention to certify the charge to the auditor."

The motion prevailed and the amendment was adopted.

S. F. No. 121, A bill for an act relating to towns; authorizing town boards to provide for the collection of unpaid service charges; proposing coding for new law in Minnesota Statutes, chapter 366.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Girard	Krueger	Osthoff	Segal
Anderson, G.	Greenfield	Lasley	Ostrom	Simoneau
Anderson, R.	Gruenes	Lieder	Otis	Skoglund
Battaglia	Gutknecht	Limmer	Ozment	Solberg
Bauerly	Hartle	Long	Pappas	Sparby
Begich	Hasskamp	Lynch	Pauly	Stanius
Bennett	Haukoos	Macklin	Pellow	Steensma
Bertram	Heap	Marsh	Pelowski	Swiggum
Blatz	Henry	McDonald	Peterson	Swenson
Boo	Himle	McEachern	Poppenhagen	Tjornhom
Brown	Hugoson	McGuire	Price	Tompkins
Burger	Jacobs	McLaughlin	Pugh	Trimble
Carlson, D.	Janezich	McPherson	Quinn	Tunheim
Carlson, L.	Jaros	Milbert	Redalen	Uphus
Carruthers	Jefferson	Miller	Reding	Valento
Clark	Jennings	Munger	Rest	Vellenga
Conway	Johnson, A.	Nelson, C.	Rice	Wagemus
Cooper	Johnson, R.	Nelson, K.	Richter	Waltman
Dauner	Johnson, V.	Neuenschwander	Rodosovich	Weaver
Dawkins	Kahn	Ogren	Rukavina	Welle
Dempsey	Kalis	Olsen, S.	Runbeck	Wenzel
Dille	Kelly	Olsen, E.	Sarna	Williams
Dorn	Kelso	Olson, K.	Schafer	Winter
Forsythe	Kinkel	Omann	Scheid	Wynia
Frederick	Knickerbocker	Onnen	Schreiber	Spk. Vanasek
Frerichs	Kostohryz	Orenstein	Seaberg	

The bill was passed, as amended, and its title agreed to.

H. F. No. 76, A bill for an act relating to juveniles; prohibiting the detention of juveniles in jails or lockups for longer than 24 hours before a detention hearing is held; prohibiting the detention of juveniles in jails or lockups after August 1, 1991, for longer than 24 hours unless a reference motion has been filed; amending Minnesota Statutes 1988, sections 260.171, subdivisions 2 and 4; and 260.172, subdivisions 1 and 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Blatz	Conway	Frederick	Haukoos
Anderson, G.	Boo	Cooper	Frerichs	Heap
Anderson, R.	Brown	Dauner	Girard	Henry
Battaglia	Burger	Dawkins	Greenfield	Himle
Bauerly	Carlson, D.	Dempsey	Gruenes	Hugoson
Begich	Carlson, L.	Dille	Gutknecht	Jacobs
Bennett	Carruthers	Dorn	Hartle	Janezich
Bertram	Clark	Forsythe	Hasskamp	Jaros

Jefferson	Macklin	Onnen	Rice	Swenson
Jennings	Marsh	Orenstein	Richter	Tjornhom
Johnson, A.	McDonald	Osthoff	Rodosovich	Tompkins
Johnson, R.	McEachern	Ostrom	Rukavina	Tunheim
Johnson, V.	McGuire	Otis	Rumbeck	Uphus
Kahn	McLaughlin	Ozment	Sarna	Valento
Kalis	McPherson	Pappas	Schafer	Vellenga
Kelly	Milbert	Pauly	Scheid	Wagenius
Kelso	Miller	Pellow	Schreiber	Waltman
Kinkel	Munger	Pelowski	Seaberg	Weaver
Knickerbocker	Nelson, C.	Peterson	Segal	Welle
Kostohryz	Nelson, K.	Poppenhagen	Simoneau	Wenzel
Krueger	Neuenschwander	Price	Skoglund	Williams
Lasley	O'Connor	Pugh	Solberg	Winter
Lieder	Ogren	Quinn	Sparby	Wynia
Limmer	Olsen, S.	Redalen	Stanius	Spk. Vanasek
Long	Olson, E.	Reding	Steensma	
Lynch	Omann	Rest	Sviggum	

Those who voted in the negative were:

Olson, K.

The bill was passed and its title agreed to.

H. F. No. 101, A bill for an act relating to education; requiring the student member of the board of regents to be a student at the time of election; amending Minnesota Statutes 1988, section 137.023.

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	Forsythe	Kalis	Neuenschwander	Rest
Anderson, G.	Frederick	Kelly	Ogren	Rice
Anderson, R.	Frerichs	Kelso	Olsen, S.	Richter
Battaglia	Girard	Kinkel	Olson, E.	Rodosovich
Bauerly	Greenfield	Knickerbocker	Olson, K.	Rukavina
Begich	Gruenes	Kostohryz	Omann	Runbeck
Bennett	Gutknecht	Krueger	Onnen	Sarna
Bertram	Hartle	Lasley	Orenstein	Schafer
Blatz	Hasskamp	Lieder	Osthoff	Scheid
Boo	Haukoos	Limmer	Ostrom	Schreiber
Brown	Heap	Long	Otis	Seaberg
Burger	Henry	Lynch	Ozment	Segal
Carlson, D.	Himle	Macklin	Pappas	Simoneau
Carlson, L.	Hugoson	Marsh	Pauly	Skoglund
Carruthers	Jacobs	McDonald	Pellow	Solberg
Clark	Janezich	McGuire	Pelowski	Sparby
Conway	Jaros	McLaughlin	Peterson	Stanius
Cooper	Jefferson	McPherson	Poppenhagen	Steensma
Dauner	Jennings	Milbert	Price	Sviggum
Dawkins	Johnson, A.	Miller	Pugh	Swenson
Dempsey	Johnson, R.	Munger	Quinn	Tjornhom
Dille	Johnson, V.	Nelson, C.	Redalen	Tompkins
Dorn	Kahn	Nelson, K.	Reding	Trimble

Tunheim	Vellenga	Weaver	Williams	Spk. Vanasek
Uphus	Wagenius	Welle	Winter	
Valento	Waltman	Wenzel	Wynia	

The bill was passed and its title agreed to.

H. F. No. 135, A bill for an act relating to juvenile court; limiting the court's authority to transfer legal custody of a child for the purpose of obtaining special treatment or care; clarifying the grounds for terminating parental rights to a child; clarifying the liability of persons who provide outreach services to runaways; amending Minnesota Statutes 1988, sections 260.015, subdivision 2a; 260.191, subdivision 1; 260.221, subdivisions 1 and 3; and 260.315.

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	Girard	Lieder	Ostrom	Simoneau
Anderson, G.	Greenfield	Limmer	Otis	Skoglund
Anderson, R.	Gruenes	Long	Ozment	Solberg
Battaglia	Gutknecht	Lynch	Pappas	Sparby
Bauerly	Hartle	Macklin	Pauly	Stanius
Begich	Hasskamp	Marsh	Pellow	Steenasma
Bennett	Haukoos	McDonald	Pelowski	Swiggum
Bertram	Heap	McEachern	Peterson	Swenson
Blatz	Henry	McGuire	Poppenhagen	Tjornhom
Boo	Himle	McLaughlin	Price	Tompkins
Brown	Hugoson	McPherson	Pugh	Trimble
Burger	Jacobs	Milbert	Quinn	Tunheim
Carlson, D.	Jaros	Miller	Redalen	Uphus
Carlson, L.	Jefferson	Munger	Reding	Valento
Carruthers	Jennings	Nelson, C.	Rest	Vellenga
Clark	Johnson, A.	Nelson, K.	Rice	Wagenius
Conway	Johnson, R.	Neuenschwander	Richter	Waltman
Cooper	Johnson, V.	O'Connor	Rodosovich	Weaver
Dauner	Kahn	Ogren	Rukavina	Welle
Dawkins	Kalis	Olsen, S.	Runbeck	Wenzel
Dempsey	Kelly	Olson, E.	Sarna	Williams
Dille	Kelso	Olson, K.	Schafer	Winter
Dorn	Knickerbocker	Omann	Scheid	Wynia
Forsythe	Kostohryz	Onnen	Schreiber	Spk. Vanasek
Frederick	Krueger	Orenstein	Seaberg	
Frerichs	Lasley	Osthoff	Segal	

The bill was passed and its title agreed to.

H. F. No. 331, A bill for an act relating to employment; limiting the employment hours of certain minors during the school year; amending Minnesota Statutes 1988, sections 181A.04, by adding a subdivision; and 181A.12, 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 97 yeas and 32 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Hartle	Long	Osthoff	Solberg
Anderson, R.	Hasskamp	Lynch	Ostrom	Sparby
Battaglia	Heap	Macklin	Otis	Steensma
Bauerly	Himle	Marsh	Pappas	Tjornhom
Begich	Jacobs	McEachern	Pellow	Trimble
Bennett	Janezich	McGuire	Pelowski	Tunheim
Bertram	Jaros	McLaughlin	Peterson	Uphus
Bishop	Jefferson	McPherson	Price	Vellenga
Blatz	Johnson, A.	Milbert	Pugh	Wagenius
Brown	Johnson, R.	Munger	Quinn	Waltman
Carlson, D.	Kahn	Nelson, C.	Reding	Weaver
Carlson, L.	Kalis	Nelson, K.	Rest	Welle
Carruthers	Kelly	Neuenschwander	Rice	Wenzel
Clark	Kelso	O'Connor	Rodosovich	Williams
Conway	Kinkel	Ogren	Rukavina	Winter
Cooper	Knickerbocker	Olsen, S.	Runbeck	Wynia
Dawkins	Kostohryz	Olson, E.	Sarna	Spk. Vanasek
Frederick	Krueger	Olson, K.	Seaberg	
Greenfield	Lasley	Omann	Segal	
Gruenes	Lieder	Orenstein	Simoneau	

Those who voted in the negative were:

Abrams	Forsythe	Johnson, V.	Poppenhagen	Swiggum
Boo	Frerichs	Limmer	Redalen	Swenson
Burger	Girard	McDonald	Richter	Tompkins
Dauner	Gutknecht	Miller	Schafer	Valento
Dempsey	Haukoos	Onnen	Scheid	
Dille	Henry	Ozment	Schreiber	
Dorn	Hugoson	Pauly	Stanius	

The bill was passed and its title agreed to.

H. F. No. 461, A bill for an act relating to crime victims; modifying the limitations provision governing damage actions brought by sexual assault victims; requiring that victims of crimes against the person be informed of the conditions governing the convicted offender's release from confinement and the identity of the corrections agent supervising the offender; requiring that sexual assault victims be notified when the alleged sex offender is released from pretrial detention; amending Minnesota Statutes 1988, sections 541.07; 611A.03, subdivision 1; and 611A.06; proposing coding for new law in Minnesota Statutes, chapters 541 and 629.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Kostohryz	Onnen	Seaberg
Anderson, G.	Girard	Krueger	Orenstein	Simoneau
Anderson, R.	Greenfield	Lasley	Osthoff	Skoglund
Battaglia	Gruenes	Lieder	Ostrom	Solberg
Bauerly	Gutknecht	Limmer	Otis	Sparby
Begich	Hartle	Long	Ozment	Stanuis
Bennett	Hasskamp	Lynch	Pappas	Steensma
Bertram	Haukoos	Macklin	Pauly	Sviggum
Bishop	Heap	Marsh	Pellow	Swenson
Blatz	Henry	McDonald	Pelowski	Tjornhom
Boo	Himle	McEachern	Peterson	Tompkins
Brown	Hugoson	McGuire	Poppenhagen	Trimble
Burger	Jacobs	McLaughlin	Price	Tunheim
Carlson, D.	Janezich	McPherson	Pugh	Uphus
Carlson, L.	Jaros	Milbert	Quinn	Valento
Carruthers	Jefferson	Miller	Redalen	Vellenga
Clark	Jennings	Munger	Reding	Wagenius
Conway	Johnson, A.	Nelson, C.	Rest	Waltman
Cooper	Johnson, R.	Nelson, K.	Richter	Weaver
Dauner	Johnson, V.	Neuenschwander	Rodosovich	Welle
Dawkins	Kahn	O'Connor	Rukavina	Wenzel
Dempsey	Kalis	Ogren	Runbeck	Williams
Dille	Kelly	Olsen, S.	Sarna	Winter
Dorn	Kelso	Olson, E.	Schafer	Wynia
Forsythe	Kinkel	Olson, K.	Scheid	Spk. Vanasek
Frederick	Knickerbocker	Omann	Schreiber	

The bill was passed and its title agreed to.

H. F. No. 702, A bill for an act relating to crime; expanding the crime of failure to appear for a criminal court appearance; specifying the attorney with jurisdiction to prosecute the crime; prescribing penalties; amending Minnesota Statutes 1988, section 609.49.

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 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Burger	Frederick	Hugoson	Kelso
Anderson, G.	Carlson, D.	Frerichs	Jacobs	Kinkel
Anderson, R.	Carlson, L.	Girard	Janezich	Knickerbocker
Battaglia	Carruthers	Greenfield	Jaros	Kostohryz
Bauerly	Clark	Gruenes	Jefferson	Krueger
Begich	Conway	Gutknecht	Jennings	Lasley
Bennett	Cooper	Hartle	Johnson, A.	Lieder
Bertram	Dauner	Hasskamp	Johnson, R.	Limmer
Bishop	Dawkins	Haukoos	Johnson, V.	Long
Blatz	Dille	Heap	Kahn	Lynch
Boo	Dorn	Henry	Kalis	Macklin
Brown	Forsythe	Himle	Kelly	Marsh

McDonald	Olson, E.	Poppenhagen	Schreiber	Tunheim
McEachern	Olson, K.	Price	Seaberg	Uphus
McGuire	Omann	Pugh	Segal	Valento
McLaughlin	Onnen	Redalen	Simoneau	Vellenga
McPherson	Orenstein	Reding	Skoglund	Wagenius
Milbert	Osthoff	Rest	Solberg	Waltman
Miller	Ostrom	Rice	Sparby	Weaver
Munger	Otis	Richter	Stanius	Welle
Nelson, C.	Ozment	Rodosovich	Steensma	Wenzel
Nelson, K.	Pappas	Rukavina	Sviggun	Williams
Neuenschwander	Pauly	Runbeck	Swenson	Winter
O'Connor	Pellow	Sarna	Tjornhom	Wynia
Ogren	Pelowski	Schafer	Tompkins	Spk. Vanasek
Olsen, S.	Peterson	Scheid	Trimble	

Those who voted in the negative were:

Quinn

The bill was passed and its title agreed to.

### GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Vanasek in the Chair for consideration of the bill pending on General Orders of the day. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendation of the Committee was reported to the House:

H. F. No. 100 was recommended to pass.

On the motion of Wynia the report of the Committee of the Whole was adopted.

#### ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll call was taken in the Committee of the Whole:

The question was taken on the motion to recommend passage of H. F. No. 100, the first engrossment, and the roll was called. There were 124 yeas and 6 nays as follows:

Those who voted in the affirmative were:

Abrams	Anderson, G.	Anderson, R.	Battaglia	Bauerly
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Begich	Hartle	Lieder	Osthoff	Simoneau
Bennett	Hasskamp	Limmer	Ostrom	Skoglund
Bertram	Haukoos	Long	Otis	Solberg
Bishop	Heap	Lynch	Ozment	Sparby
Blatz	Henry	Macklin	Pappas	Stanius
Boo	Himle	Marsh	Pauly	Steensma
Brown	Hugoson	McEachern	Pellow	Swenson
Burger	Jacobs	McGuire	Pelowski	Tjornhom
Carlson, D.	Janezich	McLaughlin	Peterson	Tompkins
Carlson, L.	Jaros	McPherson	Poppenhagen	Trimble
Carruthers	Jefferson	Milbert	Price	Tunheim
Clark	Jennings	Miller	Pugh	Uphus
Conway	Johnson, A.	Munger	Quinn	Valento
Cooper	Johnson, R.	Nelson, C.	Redalen	Vellenga
Dauner	Johnson, V.	Nelson, K.	Reding	Wagenius
Dawkins	Kahn	Neuenschwander	Rest	Waltman
Dille	Kalis	O'Connor	Rice	Weaver
Dorn	Kelly	Ogren	Rodosovich	Welle
Forsythe	Kelso	Olsen, S.	Rukavina	Wenzel
Frederick	Kinkel	Olsen, E.	Runbeck	Williams
Girard	Knickerbocker	Olson, K.	Sarna	Winter
Greenfield	Kostohryz	Omann	Scheid	Wynia
Gruenes	Krueger	Onnen	Seaberg	Spk. Vanasek
Gutknecht	Lasley	Orenstein	Segal	

Those who voted in the negative were:

Dempsey	McDonald	Schreiber
Frerichs	Schafer	Sviggum

The motion prevailed.

There being no objection, the order of business reverted to Messages from the Senate.

### MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce the adoption by the Senate of the following Senate Concurrent Resolution, herewith transmitted:

Senate Concurrent Resolution No. 5, a senate concurrent resolution relating to adjournment for more than three days.

PATRICK E. FLAHAVEN, Secretary of the Senate

### SUSPENSION OF RULES

Wynia moved that the rules be so far suspended that Senate Concurrent Resolution No. 5 be now considered and be placed upon

its adoption. The motion prevailed.

SENATE CONCURRENT RESOLUTION NO. 5

A Senate concurrent resolution relating to adjournment for more than three days.

*Be It Resolved*, by the Senate of the State of Minnesota, the House of Representatives concurring:

1. Upon its adjournment on Monday, March 20, 1989, the House of Representatives may set its next day of meeting by motion.

2. Upon its adjournment on Wednesday, March 22, 1989, the Senate may set its next day of meeting by motion.

3. Each house consents to the adjournment of the other house for more than three days.

Wynia moved that Senate Concurrent Resolution No. 5 be now adopted. The motion prevailed and Senate Concurrent Resolution No. 5 was adopted.

MOTIONS AND RESOLUTIONS

Bauerly moved that the names of Otis; Vellenga; Nelson, K., and Uphus be added as authors on H. F. No. 51. The motion prevailed.

Clark moved that the name of Boo be added as an author on H. F. No. 241. The motion prevailed.

Cooper moved that his name be stricken as an author on H. F. No. 813. The motion prevailed.

Clark moved that the name of Boo be added as an author on H. F. No. 1080. The motion prevailed.

Sarna moved that the name of Schreiber be added as an author on H. F. No. 1118. The motion prevailed.

Steensma moved that the names of Lynch and Conway be added as authors on H. F. No. 1146. The motion prevailed.

Pugh moved that the names of Lynch and Macklin be added as authors on H. F. No. 1150. The motion prevailed.

Reding moved that the name of Sparby be added as an author on H. F. No. 1162. The motion prevailed.

Hasskamp moved that the name of Lynch be added as an author on H. F. No. 1174. The motion prevailed.

Orenstein moved that the name of Olsen, S., be added as an author on H. F. No. 1177. The motion prevailed.

Solberg moved that the name of Neuenschwander be added as an author on H. F. No. 1185. The motion prevailed.

Solberg moved that the name of Neuenschwander be added as an author on H. F. No. 1186. The motion prevailed.

Kelly moved that H. F. No. 13, now on Technical General Orders, be re-referred to the Committee on Governmental Operations. The motion prevailed.

Krueger moved that H. F. No. 980 be recalled from the Committee on Commerce and be re-referred to the Committee on Agriculture. The motion prevailed.

Osthoff moved that H. F. No. 692 be recalled from the Committee on Appropriations and be re-referred to the Committee on Financial Institutions and Housing. The motion prevailed.

Marsh and Munger moved that H. F. No. 31 be recalled from the Committee on Appropriations and be re-referred to the Committee on Agriculture. The motion prevailed.

Tunheim moved that H. F. No. 1093 be recalled from the Committee on Education and be re-referred to the Committee on Agriculture. The motion prevailed.

Kalis moved that H. F. No. 1113 be recalled from the Committee on Transportation and be re-referred to the Committee on Agriculture. The motion prevailed.

Trimble moved that H. F. No. 144 be recalled from the Committee on Taxes and be re-referred to the Committee on Education. The motion prevailed.

Quinn moved that H. F. No. 66 be recalled from the Committee on Judiciary and be re-referred to the Committee on Governmental Operations. The motion prevailed.

Kahn moved that H. F. No. 764 be returned to its author. The motion prevailed.

## ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 29:

Rest, Kelly and Seaberg.

## ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 2:30 p.m., Monday, March 20, 1989. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Monday, March 20, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION — 1989

## TWENTY-THIRD DAY

SAINT PAUL, MINNESOTA, MONDAY, MARCH 20, 1989

The House of Representatives convened at 2:30 p.m. and was called to order by Robert E. Vanasek, Speaker of the House.

Prayer was offered by Monsignor James D. Habiger, House Chaplain.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Abrams	Frerichs	Lasley	Onnen	Segal
Anderson, G.	Girard	Lieder	Orenstein	Simoneau
Anderson, R.	Greenfield	Limmer	Ostrom	Skoglund
Battaglia	Gruenes	Long	Otis	Solberg
Bauerly	Gutknecht	Lynch	Ozment	Sparby
Beard	Hartle	Macklin	Pappas	Stanius
Begich	Hasskamp	Marsh	Pauly	Steensma
Bennett	Haukoos	McDonald	Pellow	Sviggum
Bertram	Henry	McEachern	Pelowski	Swenson
Bishop	Himle	McGuire	Peterson	Tjornhom
Boo	Hugoson	McLaughlin	Poppenhagen	Tompkins
Brown	Jacobs	McPherson	Price	Trimble
Burger	Janezich	Milbert	Pugh	Tunheim
Carlson, D.	Jaros	Miller	Quinn	Uphus
Carlson, L.	Jefferson	Morrison	Redalen	Valento
Carruthers	Jennings	Munger	Reding	Vellenga
Clark	Johnson, R.	Murphy	Rest	Wagenius
Conway	Johnson, V.	Nelson, C.	Rice	Waltman
Cooper	Kahn	Nelson, K.	Richter	Weaver
Dauner	Kalis	Neuenschwander	Rodosovich	Wenzel
Dawkins	Kelly	O'Connor	Rukavina	Williams
Dempsey	Kelso	Ogren	Runbeck	Winter
Dille	Kinkel	Olsen, S.	Sarna	Wynia
Dorn	Knickerbocker	Olson, E.	Schafer	Spk. Vanasek
Forsythe	Kostohryz	Olson, K.	Schreiber	
Frederick	Krueger	Omann	Seaberg	

A quorum was present.

Blatz; Heap; Johnson, A.; Osthoff; Scheid and Welle were excused.

The Chief Clerk proceeded to read the Journal of the preceding

day. Price 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

Pursuant to Rules of the House, printed copies of H. F. Nos. 128, 484, 695, 765, 819, 862, 942, 1115, 243, 266, 278, 306, 630, 46, 931 and 1104 and S. F. Nos. 644, 294 and 400 have been placed in the members' files.

#### PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA  
OFFICE OF THE SECRETARY OF STATE  
ST. PAUL 55155

The Honorable Robert E. Vanasek  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1989 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F.</i>	<i>H.F.</i>	<i>Session Laws</i>	<i>Time and</i> <i>Date Approved</i>	<i>Date Filed</i>
<i>No.</i>	<i>No.</i>	<i>Chapter No.</i>	<i>1989</i>	<i>1989</i>
215		6	13:37-March 8	March 8

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

STATE OF MINNESOTA  
OFFICE OF THE SECRETARY OF STATE  
ST. PAUL 55155

The Honorable Robert E. Vanasek  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

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<i>S.F.</i>	<i>H.F.</i>	<i>Session Laws</i>	<i>Time and</i>	<i>Date Filed</i>
<i>No.</i>	<i>No.</i>	<i>Chapter No.</i>	<i>Date Approved</i>	<i>1989</i>
204		7	11:24-March 9	March 9
574		8	11:25-March 9	March 9
32		5	18:53-March 9	March 9

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
ST. PAUL 55155

March 14, 1989

The Honorable Robert E. Vanasek  
Speaker of the House of Representatives  
The State of Minnesota

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 113, relating to local government; granting powers to towns; setting certain procedures.

Sincerely,

RUDY PERPICH  
Governor

STATE OF MINNESOTA  
OFFICE OF THE SECRETARY OF STATE  
ST. PAUL 55155

The Honorable Robert E. Vanasek  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1989 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F.</i>	<i>H.F.</i>	<i>Session Laws</i>	<i>Time and</i>	<i>Date Filed</i>
<i>No.</i>	<i>No.</i>	<i>Chapter No.</i>	<i>Date Approved</i>	<i>1989</i>
	113	9	10:42-March 14	March 14
300		10	11:44-March 14	March 14

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

## REPORTS OF STANDING COMMITTEES

Olson, K., from the Committee on Education to which was referred:

H. F. No. 436, A bill for an act relating to education; requiring the state board of education to adopt a rule on preparation time for teachers.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [RULEMAKING; TEACHER PREPARATION TIME.]

Subdivision 1. [PROPOSED RULE.] The state board of education shall adopt a rule under Minnesota Statutes, chapter 14, establishing preparation time requirements for elementary school staff that are comparable to the preparation time requirements for secondary school staff established in Minnesota Rules, part 3500.3700, subpart 3. In adopting any rule, the state board shall consider the length and structure of the elementary day and, if appropriate, permit preparation time to be scheduled at more than one time during the school day.

Subd. 2. [VARIANCE.] The state board's rule must establish a process and criteria for granting one-year variances from the rule for districts that are unable to comply with the rule.

Subd. 3. [RULEMAKING COSTS.] The costs of rulemaking required by this section must be covered by the regular operating appropriation to the department of education.

Subd. 4. [EFFECTIVE DATE OF RULE.] The state board must complete chapter 14 procedures and report the rule to the legislature by February 1, 1990. Notwithstanding Minnesota Statutes, section 14.18, the rule is not effective until it has been approved by a bill enacted into law.

Sec. 2. [BIENNIAL BUDGET PREPARATION.]

The state board shall report to the education committees of the legislature on the cost to school districts of implementing the rule adopted according to section 1.”

Delete the title and insert:

“A bill for an act relating to education; requiring the state board of education to prepare a rule on preparation time for teachers; requiring the rule to be enacted into law before becoming effective.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 491, A bill for an act relating to tourism; creating a department of tourism; transferring duties and powers from the department of trade and economic development to the department of tourism; appropriating money; amending Minnesota Statutes 1988,

sections 15.06, subdivision 1; 15A.081, subdivision 1; 116J.01, subdivision 3; 116J.58, subdivision 2; 116J.60; 301A.01, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 116Q; repealing Minnesota Statutes 1988, sections 116J.58, subdivision 3; and 116J.615.

Reported the same back with the following amendments:

Page 1, after line 12, insert:

“Section 1. Minnesota Statutes 1988, section 15.01, is amended to read:

15.01 [DEPARTMENTS OF THE STATE.]

The following agencies are designated as the departments of the state government: the department of administration; the department of agriculture; the department of commerce; the department of corrections; the department of education; the department of jobs and training; the department of trade and economic development; the department of finance; the department of health; the department of human rights; the department of labor and industry; the department of military affairs; the department of natural resources; the department of employee relations; the department of public safety; the department of public service; the department of human services; the department of revenue; the department of tourism; the department of transportation; the department of veterans affairs; and their successor departments.”

Page 3, line 25, delete “one office” and strike the comma

Page 8, after line 36, insert:

“Sec. 14. [TRANSFER OF EMPLOYEES.]

The commissioner of employee relations shall transfer persons who are nonmanagerial employees in regional tourism offices on the effective date of sections 1 to 13 to the classified service of the state. The transfer must be made without competitive or qualifying examination. The commissioner shall place transferred employees in the proper job classifications. A transferred employee with less than six months of service in the employee's position at the time of transfer shall serve a probationary period appropriate for the employee's classification under section 43A.16. The probationary period must include the time since the employee's hire in the unclassified position from which the employee was transferred.

Sec. 15. [TRANSFER.]

Minnesota Statutes, section 15.039, applies to the transfer of duties provided in sections 1 to 14.

Page 9, line 6, delete "12" and insert "15"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 6, after "sections" insert "15.01;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 584, A bill for an act relating to environment; regulating municipal wastewater treatment funding; amending Minnesota Statutes 1988, sections 116.18, subdivisions 3a and 3b; 446A.02, subdivision 4; and 446A.07, subdivision 8; proposing coding for new law in Minnesota Statutes, chapter 115.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [115.55] [CAPITAL REPLACEMENT FUND.]

Subdivision 1. [FUND ADMINISTRATION.] Each municipal wastewater treatment facility permittee shall annually set aside from user fees or another source a minimum of five cents per 1,000 gallons of wastewater flow through the facility to be deposited in a dedicated fund administered by the municipality for future capital improvements or replacement of the facility. For purposes of this section, "permittee" means a city, sanitary district, or other governmental subdivision or public corporation that has been issued a permit as required under Minnesota Rules, part 7001.0030. When a municipality receives wastewater treatment services from another governmental subdivision, the governmental subdivision responsible for the treatment facility shall collect the fees and administer the fund. If the municipality ceases receiving wastewater treatment services, the governmental subdivision shall, in proportion to the municipality's contribution, refund any available funds with applicable interest. When a private vendor has contracted with a municipality under chapter 471A to provide wastewater treatment services, the municipality shall be responsible for collection of the

fees. Capital improvements include, but are not limited to, major components and structural additions that have a design life of more than 20 years. The need for capital improvements may result from, but is not limited to, a change in water quality standards, a need for increased capacity, or a failure of the facility or parts of the facility to provide adequate treatment. This fund shall not be used for the annual operation, maintenance, or replacement of equipment, accessories, parts, and appurtenances necessary to maintain the capacity and performance for which the existing treatment facility was designed and constructed, which ordinarily would be included in the facility's replacement schedule. Failure of any municipality to annually set aside the specified funds may constitute grounds for the state to deny financial assistance under chapters 116 and 446A.

Subd. 2. [REPORTING REQUIREMENTS.] A permittee that does not submit an annual financial report to the state auditor must submit an annual report on the fund to the public facilities authority.

Subd. 3. [EXEMPTION.] A permittee may apply to the public facilities authority for an exemption from subdivision 1. The public facilities authority may grant an exemption upon a showing by the permittee that there are adequate municipal financial resources or bond reserve capacity for future capital improvements or replacement of the facility.

Subd. 4. [EXCEPTION.] This section does not apply to a municipality whose most recent general obligation bond offering was rated "AA" or better by Standard and Poor's, Moody's, or other recognized bond rating agency.

Sec. 2. Minnesota Statutes 1988, section 116.18, subdivision 3a, is amended to read:

Subd. 3a. [STATE INDEPENDENT GRANTS PROGRAM.] (a) The public facilities authority must adopt the objective of maintaining financial assistance to municipalities that the agency has listed on its annual municipal project list approximately equivalent to 50 percent of the eligible cost of construction for municipalities with populations over 25,000 and 80 percent of the eligible cost for municipalities with populations of 25,000 or less. Financial assistance may be provided by the public facilities authority through a combination of low interest loans under the state revolving fund under chapter 446A, independent state grants, and other financial assistance available to the municipality. The public facilities authority shall determine the appropriate combination of grants and loans. The Minnesota public facilities authority may award independent grants for projects certified by the state pollution control commissioner for 50 up to 35 percent or, if the population of the municipality is 25,000 or less, 80 up to 65 percent of the eligible cost of construction. These grants may be awarded in separate steps for

planning and design in addition to actual construction. Until December 31, 1990 1994, not more than 20 percent \$2,000,000 of the total amount of grants awarded under this subdivision in any single fiscal year may be awarded to a single grantee.

(b) Up to ten percent \$1,000,000 of the money to be awarded as grants under this subdivision in any single fiscal year shall be set aside for municipalities having substantial economic development projects that cannot come to fruition without municipal wastewater treatment improvements. The agency shall forward its municipal needs list to the authority at the beginning of each fiscal year, and the authority shall review the list and identify those municipalities having substantial economic development projects. After the ~~first 90 percent of the total~~ available money is allocated to municipalities in accordance with agency priorities, the set-aside shall be used by the authority to award grants to remaining municipalities that have been identified.

(c) Grants may also be awarded under this subdivision to reimburse municipalities willing to proceed with projects and be reimbursed in a subsequent year ~~conditioned upon appropriation of sufficient money under subdivision 1 for that year at the grant percentage determined in paragraph (a).~~

(d) A municipality that applies for a state independent grant to be reimbursed for a project must receive an additional five percent of the total eligible cost of construction beyond the normal percentage to which the municipality is entitled under paragraph (a). For the 1989-1991 biennium, up to a maximum of \$9,000,000 may be set aside to reimburse municipalities that entered into an intent to award agreement with the agency under paragraph (c), in the state fiscal years 1985 to 1988. Municipalities will be reimbursed at 55 percent or, if the population of the municipality is 25,000 or less, 85 percent of the eligible cost of construction.

Sec. 3. Minnesota Statutes 1988, section 116.18, subdivision 3b, is amended to read:

Subd. 3b. [CAPITAL COST COMPONENT GRANT.] (a) The definitions of "capital cost component," "capital cost component grant," "service fee," "service contract," and "private vendor" in section 471A.02 apply to this subdivision.

(b) Beginning in fiscal year 1989, up to \$1,500,000 of the money to be awarded as grants under subdivision 3a in any single fiscal year may be set aside for the award of capital cost component grants to municipalities on the municipal needs list for part of the capital cost component of the service fee under a service contract for a term of at least 20 years with a private vendor for the purpose of constructing and operating wastewater treatment facilities.

(c) The amount granted to a municipality shall be 50 percent of the average total eligible costs of municipalities of similar size recently awarded state and federal grants under the provisions of subdivisions 2a and 3a and the Federal Water Pollution Control Act, United States Code, title 33, sections ~~1281 to 1289~~ 1251 et seq. Federal and state eligibility requirements for determining the amount of grant dollars to be awarded to a municipality are not applicable to municipalities awarded capital cost component grants. Federal and state eligibility requirements for determining which cities qualify for state and federal grants are applicable, except as provided in this subdivision.

(d) Except as provided in this subdivision, municipalities receiving capital cost component grants shall not be required to comply with federal and state regulations regarding facilities planning and procurement contained in sections 116.16 to 116.18, except those necessary to issue a National Pollutant Discharge Elimination System permit or state disposal system permit and those necessary to assure that the proposed facilities are reasonably capable of meeting the conditions of the permit over 20 years. The municipality and the private vendor shall be parties to the permit. Municipalities receiving capital cost component grants may also be exempted by rules of the agency from other state and federal regulations relating to the award of state and federal grants for wastewater treatment facilities, except those necessary to protect the state from fraud or misuse of state funds.

(e) Funds shall be distributed from the set-aside to municipalities that apply for the funds in accordance with these provisions in the order of their ranking on the municipal needs list.

(f) The authority shall award capital cost component grants to municipalities selected by the state pollution control commissioner upon certification by the state pollution control commissioner that the municipalities' projects and applications have been reviewed and approved in accordance with this subdivision and agency rules adopted under paragraph (g).

(g) The agency shall adopt permanent rules to provide for the administration of grants awarded under this subdivision.

(h) The commissioner of trade and economic development may adopt rules containing procedures for administration of the authority's duties as set forth in paragraph (f).

Sec. 4. Minnesota Statutes 1988, section 446A.02, subdivision 4, is amended to read:

Subd. 4. [FEDERAL WATER POLLUTION CONTROL ACT.]  
"Federal Water Pollution Control Act" means the Federal Water

Pollution Control Act, as amended, United States Code, title 33, sections ~~1281 to 1299~~ 1251 et seq.

Sec. 5. Minnesota Statutes 1988, section 446A.07, subdivision 8, is amended to read:

Subd. 8. [OTHER USES OF REVOLVING FUND.] The water pollution control revolving fund may be used as provided in title VI of the Federal Water Pollution Control Act, including the following uses:

(1) to buy or refinance the debt obligation of governmental units for treatment works where debt was incurred and construction begun after March 7, 1985, at or below market rates;

(2) to guarantee or purchase insurance for local obligations to improve credit market access or reduce interest rates;

(3) to provide a source of revenue or security for the payment of principal and interest on revenue or general obligation bonds issued by the authority if the bond proceeds are deposited in the fund;

(4) to provide loan guarantees for similar revolving funds established by a governmental unit other than state agencies;

(5) to earn interest on fund accounts; and

(6) to pay the reasonable costs incurred by the authority and the agency of administering the fund and conducting activities required under the Federal Water Pollution Control Act, including water quality management planning under section 205(j) of the act and water quality standards continuing planning under section 303(e) of the act.

Amounts spent under clause (6) may not exceed the amount allowed under the Federal Water Pollution Control Act. ~~Five percent of the revolving loan fund repayments may be used by the agency and~~ The authority may assess a service fee of up to five percent of revolving loan repayments for use by the agency and the authority for the purposes listed in clause (6).

Sec. 6. Minnesota Statutes 1988, section 466A.12, is amended by adding a subdivision to read:

Subd. 5. [EXEMPTION.] The notes and bonds of the authority are not subject to section 16B.06.

Sec. 7. [EFFECTIVE DATE.]

Section 1 is effective on January 1, 1991."

Delete the title and insert:

"A bill for an act relating to environment; regulating municipal wastewater treatment funding; amending Minnesota Statutes 1988, sections 116.18, subdivisions 3a and 3b; 446A.02, subdivision 4; 446A.07, subdivision 8; and 446A.12, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 115."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 591, A bill for an act relating to agriculture; appropriating money for promoting the use of ethanol.

Reported the same back with the following amendments:

Page 1, line 7, delete "\$200,000" and insert "\$400,000"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 603, A bill for an act relating to agriculture; extending the farmer-lender mediation act; extending mortgage foreclosure relief provisions; amending provisions relating to the time period under which there is a rebuttable presumption that a sale is a violation of the right to receive an offer to buy agricultural land; amending Minnesota Statutes 1988, section 500.24, subdivision 6; and Laws 1983, chapter 215, section 16, as amended; and Laws 1986, chapter 398, article 1, section 18, as amended.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 47.20, subdivision 15, is amended to read:

Subd. 15. (a) Notwithstanding the provisions of any other law to the contrary, any notice of default on homestead property to which the provisions of chapter 583 apply, mailed after May 24, 1983 and

prior to May 1, 1985, or after June 8, 1985, and prior to May 1, 1987, or after the effective date of this act and prior to May 1, 1991, shall indicate that the borrower has 60 days from the date the notice is mailed in which to cure the default. The notice shall include a statement that the borrower may be eligible for an extension of the time prior to foreclosure and execution sale under sections 583.01 to 583.12.

(b) The statement must be in bold type, capitalized letters, or other form sufficient for the reader to quickly and easily distinguish the statement from the rest of the notice. The requirements of this paragraph must be followed on notices mailed under this subdivision on or after August 1, 1985. A violation of this paragraph is a petty misdemeanor.

Sec. 2. Minnesota Statutes 1988, section 500.24, subdivision 6, is amended to read:

Subd. 6. [DISPOSAL OF LAND.] (a) A state or federal agency, limited partnership, or a corporation, ~~other than a family farm corporation or an authorized farm corporation,~~ may not lease or sell agricultural land or a farm homestead ~~that was acquired by enforcing a debt against the agricultural land or farm homestead, including foreclosure of a mortgage, accepting a deed in lieu of foreclosure, terminating a contract for deed, or accepting a deed in lieu of terminating a contract for deed,~~ before offering or making a good faith effort to offer the land for sale or lease to the immediately preceding former owner at a price no higher than the highest price offered by a third party that is acceptable to the seller or lessor. The offer must be made on the notice to offer form under subdivision 7. The requirements of this subdivision do not apply to a sale or lease by a corporation that is a family farm corporation or an authorized farm corporation. This subdivision applies only to a sale or lease when the seller or lessor acquired the property by enforcing a debt against the agricultural land or farm homestead, including foreclosure of a mortgage, accepting a deed in lieu of foreclosure, terminating a contract for deed, or accepting a deed in lieu of terminating a contract for deed. Selling or leasing property to a third party at a price is prima facie evidence that the price is acceptable to the seller or lessor. The seller must provide written notice to the immediately preceding former owner that the agricultural land or farm homestead will be offered for sale at least 14 days before the agricultural land or farm homestead is offered for sale.

(b) An immediately preceding former owner is the entity with record legal title to the agricultural land or farm homestead before acquisition by the state or federal agency or corporation except: if the immediately preceding former owner is a bankruptcy estate, the debtor in bankruptcy is the immediately preceding former owner; and if the agricultural land or farm homestead was acquired by termination of a contract for deed or deed in lieu of termination of a

contract for deed, the immediately preceding former owner is the purchaser under the contract for deed. For purposes of this subdivision, only a family farm, family farm corporation, or family farm partnership can be an immediately preceding former owner.

(c) An immediately preceding former owner may elect to purchase or lease the entire property or an agreed to portion of the property. If the immediately preceding former owner elects to purchase or lease a portion of the property, the election must be reported in writing to the seller or lessor prior to the time the property is first offered for sale or lease. If election is made to purchase or lease a portion of the property, the portion must be contiguous and compact so that it does not unreasonably reduce access to or the value of the remaining property.

(d) For purposes of this subdivision, the term "a price no higher than the highest price offered by a third party" means the acceptable cash price offered by a third party or the acceptable time-price offer made by a third party. A cash price offer is one that involves simultaneous transfer of title for payment of the entire amount of the offer. If the acceptable offer made by a third party is a time-price offer, the seller or lessor must make the same time-price offer or an equivalent cash offer to the immediately preceding former owner. An equivalent cash offer is equal to the total of the payments made over a period of the time-price offer discounted by yield curve of the United States treasury notes and bonds on the first business day of the month in which the offer is personally delivered or mailed for time periods similar to the time period covered by the time-price offer, plus 2.0 percent. A time-price offer is an offer that is financed entirely or partially by the seller and includes an offer to purchase under a contract for deed or mortgage. An equivalent cash offer is not required to be made if the state participates in an offer to a third party through the rural finance authority.

(e) This subdivision applies to a seller when the property is sold and to a lessor each time the property is leased, for five years after the agricultural land is acquired except:

(1) an offer to lease to the immediately preceding former owner is required only until the immediately preceding owner fails to accept an offer to lease the property or the property is sold;

(2) an offer to sell to the immediately preceding former owner is required until the property is sold; and

(3) if the immediately preceding former owner elects to lease or purchase a portion of the property, this subdivision does not apply to the seller with regard to the balance of the property after the election is made under paragraph (c).

(f) The notice of an offer under subdivision 7 that is personally

delivered with a signed receipt or sent by certified mail with a receipt of mailing to the immediately preceding former owner's last known address is a good faith offer.

(g) This subdivision does not apply to a sale or lease that occurs after the seller or lessor has held the property for five years or longer.

(h) For purposes of this subdivision, if the immediately preceding former owner is a bankruptcy estate the debtor in the bankruptcy is the immediately preceding owner.

(i) The immediately preceding former owner must exercise the right to lease all or a portion of the agricultural land or a homestead located on agricultural land in writing within 15 days after an offer to lease under this subdivision is mailed with a receipt of mailing or personally delivered. If election is made to lease only the homestead or a portion of the agricultural land, the portion to be leased must be clearly identified in writing. The immediately preceding former owner must exercise the right to buy the agricultural land, a portion of the agricultural land, or a farm homestead located on agricultural land, in writing, within 65 days after an offer to buy under this subdivision is mailed with a receipt of mailing or is personally delivered. Within ten days after exercising the right to lease or buy by accepting the offer, the immediately preceding owner must fully perform according to the terms of the offer including paying the amounts due. A seller may sell and a lessor may lease the agricultural land or farm homestead subject to this subdivision to the third party in accordance with their lease or purchase agreement if:

(1) the immediately preceding former owner does not accept an offer to lease or buy before the offer terminates; or

(2) the immediately preceding former owner does not perform the obligations of the offer, including paying the amounts due, within ten days after accepting the offer.

(j) A certificate indicating whether or not the property contains agricultural land or a farm homestead that is signed by the county assessor where the property is located and recorded in the office of the county recorder or the registrar of titles where the property is located is prima facie evidence of whether the property is agricultural land or a farm homestead.

(k) As prima facie evidence that an offer to sell or lease agricultural land or a farm homestead has terminated, a receipt of mailing the notice under subdivision 7 and an affidavit, signed by a person authorized to act on behalf of a state, federal agency, or corporation selling or leasing the agricultural land or a farm homestead may be filed in the office of the county recorder or registrar of titles of the

county where the agricultural land or farm homestead is located. The affidavit must state that:

(1) notice of an offer to buy or lease the agricultural land or farm homestead was provided to the immediately preceding former owner at a price not higher than the highest price offered by a third party that is acceptable;

(2) the time during which the immediately preceding former owner is required to exercise the right to buy or lease the agricultural land or farm homestead has expired;

(3) the immediately preceding former owner has not exercised the right to buy or lease the agricultural land or farm homestead as provided in this subdivision or has accepted an offer and has not fully performed according to the terms of the offer; and

(4) the offer to the immediately preceding former owner has terminated.

(1) The right of an immediately preceding former owner to receive an offer to lease or purchase agricultural land under this subdivision or to lease or purchase at a price no higher than the highest price offered by a third party that is acceptable to the seller or lessor may be extinguished or limited by an express statement signed by the immediately preceding owner that complies with the plain language requirements of section 325G.31. The right may not be extinguished or limited except by:

(1) an express statement in a deed in lieu of foreclosure of the agricultural land;

(2) an express statement in a deed in lieu of a termination of a contract for deed for the agricultural land;

(3) an express statement conveying the right to the state or federal agency or corporation owning the agricultural land that is required to make an offer under this subdivision, however, the preceding former owner may rescind the conveyance by notifying the state or federal agency or corporation in writing within 20 calendar days after signing the express statement;

(4) to cure a title defect, an express statement conveying the right may be made to a person to whom the agricultural land has been transferred by the state or federal agency or corporation; or

(5) an express statement conveying the right to a contract for deed vendee to whom the agricultural land or farm homestead was sold under a contract for deed by the immediately preceding former

owner if the express statement and the contract for deed are recorded.

(m) The right of an immediately preceding former owner to receive an offer to lease or purchase agricultural land under this subdivision may not be assigned or transferred except as provided in paragraph (l), but may be inherited.

(n) An immediately preceding former owner, except a former owner who is actively engaged in farming as defined in subdivision 2, paragraph (a), and who agrees to remain actively engaged in farming on a portion of the agricultural land or farm homestead for at least one year after accepting an offer under this subdivision, may not sell agricultural land acquired by accepting an offer under this subdivision if the arrangement of the sale was negotiated or agreed to prior to the former owner accepting the offer under this subdivision. A person who sells property in violation of this paragraph is liable for damages plus reasonable attorney fees to a person who is damaged by a sale in violation of this paragraph. There is a rebuttable presumption that a sale by an immediately preceding former owner is in violation of this paragraph if the sale takes place within 180 days of the former owner accepting the offer under this subdivision. This paragraph does not apply to a sale by an immediately preceding former owner to the owner's spouse, the owner's parents, the owner's sisters and brothers, the owner's spouse's sisters and brothers, or the owner's children.

Sec. 3. Minnesota Statutes 1988, section 580.031, is amended to read:

580.031 [MINIMUM NOTICE.]

Notwithstanding the provisions of any other law to the contrary, eight weeks' published notice must be given prior to the foreclosure sale of a homestead to which sections 583.01 to 583.12 apply if the notice is published for the first time after May 24, 1983, and prior to May 1, 1985, after June 8, 1985, and prior to May 1, 1987, or after the effective date of Laws 1987, chapter 292, and prior to May 1, 1989, or after the effective date of this act and prior to May 1, 1991. The notice must contain the information specified in section 580.04.

At least eight weeks before the appointed time of sale, a copy of the notice must be served upon the person in possession of the mortgaged premises, if the premises are actually occupied.

Sec. 4. Minnesota Statutes 1988, section 550.37, subdivision 4a, is amended to read:

Subd. 4a. [ADJUSTMENT OF DOLLAR AMOUNTS.] (a) Except for subdivisions 5 and 7, the dollar amounts in this section shall

change periodically as provided in this subdivision to the extent of changes in the implicit price deflator for the gross national product, 1972 = 100, compiled by the United States Department of Commerce, and hereafter referred to as the index. The index for December, 1980, is the reference base index.

(b) The designated dollar amounts shall change on July 1 of each even-numbered year if the percentage of change, calculated to the nearest whole percentage point, between the index for December of the preceding year and the reference base index is ten percent or more. The portion of the percentage change in the index in excess of a multiple of ten percent shall be disregarded and the dollar amounts shall change only in multiples of ten percent of the amounts stated in this section.

(c) If the index is revised, the percentage of change pursuant to this section shall be calculated on the basis of the revised index. If a revision of the index changes the reference base index, a revised reference base index shall be determined by multiplying the reference base index then applicable by the rebasing factor furnished by the department of commerce. If the index is superseded, the index referred to in this section is the one represented by the department of commerce as reflecting most accurately changes in the purchasing power of the dollar for consumers.

(d) The commissioner of commerce shall announce and publish:

(1) on or before April 30 of each year in which dollar amounts are to change, the changes in dollar amounts required by paragraph (b); and

(2) promptly after the changes occur, changes in the index required by paragraph (c) including, if applicable, the numerical equivalent of the reference base index under a revised reference base index and the designation or title of any index superseding the index.

(e) A person does not violate this chapter with respect to a transaction otherwise complying with this chapter if the person relies on dollar amounts either determined according to paragraph (b) or appearing in the last publication of the commissioner announcing the then current dollar amounts.

Sec. 5. Minnesota Statutes 1988, section 550.37, subdivision 5, is amended to read:

Subd. 5. Farm machines and implements used in farming operations by a debtor engaged principally in farming, livestock, farm produce, and standing crops, not exceeding \$10,000 ~~\$13,000~~ in value. When a debtor is a partnership of spouses or a partnership of

natural persons related to each other within the third degree of kindred according to the rules of the civil law, for the purposes of the exemption in this subdivision, the partners may elect to treat the assets of the partnership as assets of the individual partners.

Sec. 6. Minnesota Statutes 1988, section 550.37, subdivision 7, is amended to read:

Subd. 7. The total value of property selected by a debtor pursuant to subdivisions 5 and 6 shall not exceed ~~\$10,000~~ \$13,000, if the exemptions under subdivisions 5 and 6 are combined.

Sec. 7. Minnesota Statutes 1988, section 583.24, subdivision 4, is amended to read:

Subd. 4. [DEBTS.] (a) The farmer-lender mediation act does not apply to a debt:

(1) for which a proof of claim form has been filed in bankruptcy by a creditor or that was listed as a scheduled debt, of a debtor who has filed a petition in bankruptcy after July 1, 1987, under United States Code, title 11, chapter 7, 11, 12, or 13;

(2) if the debt was in default when the creditor received a mediation proceeding notice under the farmer-lender mediation act and the creditor filed a claim form, the debt was mediated during the mediation period under section 583.26, subdivision 8, and (i) the mediation was unresolved; or (ii) a mediation agreement with respect to that debt was signed;

(3) for which the creditor has served a mediation notice, the debtor has failed to make a timely request for mediation, and within ~~30~~ 45 days after the debtor failed to make a timely request the creditor began a proceeding to enforce the debt against the agricultural property of the debtor;

(4) for which a creditor has received a mediation proceeding notice and the creditor and debtor have restructured the debt and have signed a separate mediation agreement with respect to that debt; or

(5) for which there is a lien for rental value of farm machinery under section 514.661 or a lien for rental value relating to a contract for deed subject to the farmer-lender mediation act under section 559.2091.

(b) For purposes of paragraph (a), clause (3), providing a copy of a forbearance policy is considered beginning a proceeding to enforce a debt if the board of an institution has adopted a forbearance policy that provides for deferring or rescheduling payments of principal or interest, renewal or extension of loan terms, reduction in the

amount or rate of principal or interest due on a loan, or other similar actions, and requires that the debtor must receive a copy of the policy at least 20 days prior to loan acceleration or debt collection proceedings.

Sec. 8. Minnesota Statutes 1988, section 583.26, subdivision 1, is amended to read:

Subdivision 1. [MEDIATION NOTICE.] (a) A creditor desiring to start a proceeding to enforce a debt against agricultural property under chapter 580 or 581 or sections 336.9-501 to 336.9-508, to terminate a contract for deed to purchase agricultural property under section 559.21, or to garnish, levy on, execute on, seize, or attach agricultural property, must serve an applicable mediation notice under sections 336.9-501, 550.365, 559.209, and 582.039 on the debtor and the director. The creditor must also file with the director proof of the date the mediation notice was served on the debtor. The creditor may not begin the proceeding until the stay of the creditor's remedies is lifted under subdivision 5, or as allowed under sections 583.20 to 583.32.

(b) For purposes of the farmer-lender mediation act, starting a proceeding to enforce a debt means initiating a proceeding under chapter 550, 580, or 581; sections 336.9-501 to 336.9-508; or section 559.21.

(c) The director shall combine all mediation notices for the same debtor that are received prior to the initial mediation meeting into one mediation proceeding.

Sec. 9. Laws 1983, chapter 215, section 16, as amended by Laws 1984, chapter 474, section 7, as amended by Laws 1985, chapter 306, section 26, as amended by Laws 1987, chapter 292, section 36, is amended to read:

Sec. 16. [REPEALER.]

Sections 1 to 15 are repealed effective July 1, ~~1989~~ 1991, but any postponement or other relief ordered by a court continues to be valid for the period ordered by the court.

Sec. 10. Laws 1986, chapter 398, article 1, section 18, as amended by Laws 1987, chapter 292, section 37, is amended to read:

Sec. 18. [REPEALER.]

Sections 1 to 17 and Minnesota Statutes, section 336.9-501, subsections (6) and (7), and sections 583.284, 583.285, and 583.305, are repealed on July 1, ~~1989~~ 1991."

Delete the title and insert:

"A bill for an act relating to agriculture; extending the farmer-lender mediation act; extending mortgage foreclosure relief provisions; amending provisions relating to the time period under which there is a rebuttable presumption that a sale is a violation of the right to receive an offer to buy agricultural land; amending Minnesota Statutes 1988, sections 47.20, subdivision 15; 500.24, subdivision 6; 580.031; 550.37, subdivisions 4a, 5, and 7; 583.24, subdivision 4; and 583.26, subdivision 1; Laws 1983, chapter 215, section 16, as amended; and Laws 1986, chapter 398, article 1, section 18, as amended."

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 624, A bill for an act relating to commerce; regulating real estate appraisers; creating the real estate appraiser advisory board; providing for membership, compensation, powers, and duties; providing licensing and education requirements; regulating the issuance, renewal, suspension, and revocation of licenses; providing fees; prescribing penalties; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 82B.

Reported the same back with the following amendments:

Page 1, line 21, after "estate" insert "for purposes of preparing an appraisal report"

Page 2, line 20, after the period insert "This shall include an appraiser employed by a state agency."

Page 3, after line 8, insert:

"Sec. 4. [82B.035] [EXEMPTION.]

(a) This chapter does not prohibit a person or an officer, employee, or agent of a corporation, partnership, or other business entity from acting as a real estate appraiser or making real estate appraisals, with or without compensation if the requirements of paragraph (b) are satisfied.

(b) The exemption in paragraph (a) applies if the persons or business entities referred to are or may be interested in the real estate that is the subject of the appraisal as owners, lenders, investors, or insurers and if they are subject to the guidelines for

real estate appraisal policies and review procedures of the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, the Federal Reserve Board, or the Comptroller of the Currency.

If an appraisal is to be made by a person who is not a licensed real estate appraiser, the client must be given written notice to that effect by the person or business entities referred to and the appraisal must clearly state that it has been done by an interested party and not by a licensed real estate appraiser."

Page 8, line 34, after "property" insert "including, but not limited to, property"

Page 9, line 1, delete "terms of the" and insert "uniform standards of professional appraisal practice"

Page 9, line 2, delete "assignment"

Page 16, after line 14, insert:

"Sec. 24. [82B.23] [ASSESSORS.]

Nothing in this chapter shall be construed as requiring the licensing of persons employed and acting in their capacity as assessors for political subdivisions of the state."

Page 17, line 3, delete "23" and insert "25"

Renumber the sections in sequence

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 674, A bill for an act relating to the environment; appropriating money for the Western Lake Superior Sanitary District; authorizing sale of state bonds.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Anderson, G., from the Committee on Appropriations to which was referred:

H. F. No. 707, A bill for an act relating to horse racing; allowing a licensed racetrack to conduct pari-mutuel betting on televised races on days when races are not conducted at the licensed racetrack; allowing the licensed racetrack to commingle pari-mutuel pools with the sending racetrack; amending Minnesota Statutes 1988, sections 240.01, subdivision 10, and by adding a subdivision; 240.10; 240.13, subdivisions 1, 3, and by adding a subdivision; 240.14, by adding a subdivision; and 240.29.

Reported the same back with the following amendments:

Page 2, after line 28, insert:

"Sec. 6. Minnesota Statutes 1988, section 240.13, subdivision 6, is amended to read:

Subd. 6. [TELEVISED RACES.] The commission may by rule permit a class B or class D licensee to conduct on the premises of the licensed racetrack pari-mutuel betting on horse races run in other states and broadcast by television on the premises. All provisions of law governing pari-mutuel betting apply to pari-mutuel betting on televised races except as otherwise provided in this subdivision or in the commission's rules. Pari-mutuel pools conducted on such televised races may consist only of money bet on the premises and may not be commingled with any other pool off the premises, except that:

(a) the licensee may pay a fee to the person or entity conducting the race for the privileges of conducting pari-mutuel betting on the race, and

(b) the licensee may pay the costs of transmitting the broadcast of the race.

Pari-mutuel betting on a televised race may be conducted only on a racing day assigned by the commission. The takeout and taxes on pari-mutuel pools on televised races are as provided for other pari-mutuel pools. All televised races under this subdivision must comply with the Interstate Horse Racing Act of 1978 as found in United States Code, title 15, section 3001 and the following relevant sections. In lieu of the purse requirement established by subdivision 5, the licensee shall set aside for purses one-half of the take-out from the amount bet on televised races after the payment of fees and taxes. For the purposes of purse distribution under subdivision 5, the average daily handle shall not include amounts bet in pari-mutuel pools on televised races.

A licensee may, with the approval of the commission, transmit

telecasts of races the licensee conducts to a location outside the state, for wagering purposes."

Page 3, line 15, before "The" insert "Subject to the approval of the commission,"

Page 3, line 17, delete "sending" and insert "licensed"

Page 3, line 18, after the period insert "Notwithstanding sections 240.13, subdivision 7, and 240.15, subdivision 5, the commission may approve procedures governing the definition and disposition of unclaimed tickets which are consistent with the law and rules governing unclaimed tickets at the sending racetrack."

Page 5, delete section 9

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 9, before "and" insert "6,"

With the recommendation that when so amended the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 752, A bill for an act relating to agriculture; appropriating money to discharge mandated grain inspection costs at Duluth; proposing coding for new law in Minnesota Statutes, chapter 17B.

Reported the same back with the following amendments:

Page 1, line 11, after the period insert "This appropriation is to be released at a rate not to exceed \$1 per metric ton of grain shipped in export."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 774, A bill for an act relating to agriculture; changing

voting rights in certain cooperative associations; amending Minnesota Statutes 1988, section 308.07, subdivision 4.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 779, A bill for an act relating to county and district agricultural societies; appropriating money.

Reported the same back with the following amendments:

Page 1, line 7, delete "\$ ....." and insert "\$722,000"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 804, A bill for an act relating to Chisago county; permitting the cancellation of certain ditch assessments and providing for the allocation of others.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 810, A bill for an act relating to natural resources; increasing the amount of levy for the Kanaranzi-Little Rock watershed district administrative fund.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 824, A bill for an act relating to waters; directing an inventory of, education on, and assistance in control of certain aquatic weeds; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 84.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 827, A bill for an act relating to animals; authorizing the taking of certain muskrats that are causing damage; amending Minnesota Statutes 1988, section 97B.655, subdivision 1.

Reported the same back with the following amendments:

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 1988, section 97A.481, is amended to read:

97A.481 [LICENSE APPLICATIONS UNDER OATH.]

All information required on a license application form must be furnished, except that no license application shall be required to be notarized. The application must be made in writing and under oath."

Page 1, after line 19, insert:

"Sec. 3. Minnesota Statutes 1988, section 97B.905, subdivision 1, is amended to read:

Subdivision 1. [RESIDENT LICENSE.]

(a) A resident that has a license to buy and sell raw furs may buy and sell raw furs in the state including:

- (1) selling raw furs to a manufacturer, representing nonresidents;
- (2) selling raw furs to a broker or agent, representing a nonresident; and

(3) conducting a fur auction that makes sales to resident manufacturers and nonresidents.

(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).

(c) For purposes of purchasing raw fur from fur buyers, taxidermists licensed under section 97A.475, subdivision 19, shall be considered manufacturers."

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to game and fish; authorizing the taking of certain muskrats that are causing damage; providing that license applications need not be notarized; regulating the purchase of raw furs; amending Minnesota Statutes 1988, sections 97A.481; 97B.655, subdivision 1; and 97B.905, subdivision 1."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 840, A bill for an act relating to human services; authorizing creation of the Minnesota family investment plan; establishing grant projects for refugees; fraud prevention; appropriating money; amending Minnesota Statutes 1988, sections 256.045, subdivision 3; 256.12, subdivision 14; 256.736, subdivision 10, 16, and by adding subdivisions; 256.74, subdivisions 1 and 1a; and 256D.051, subdivision 6, and by adding subdivisions; proposing coding for new law in Minnesota Statutes, chapter 256; repealing Minnesota Statutes 1988, section 256D.051, subdivision 6a.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 245.771, subdivision 3, is amended to read:

Subd. 3. [EMPLOYMENT AND TRAINING PROGRAMS.] The commissioner of human services, in consultation with the commis-

sioner of jobs and training, is authorized to implement food stamp employment and training programs in as many counties as is necessary to meet federal participation requirements and comply with federal laws and regulations. The commissioner of human services may contract with the commissioner of jobs and training to implement and supervise employment and training programs for food stamp recipients that are required by federal regulations.

Sec. 2. [256.031] [MINNESOTA FAMILY INVESTMENT PLAN.]

Subdivision 1. [CITATION.] Sections 256.031 to 256.038 may be cited as the Minnesota family investment plan.

Subd. 2. [LEGISLATIVE FINDINGS.] The legislature recognizes the need to fundamentally change the way government supports families. The legislature finds that many features of the current system of public assistance do not help families carry out their two basic functions: the economic support of the family unit and the care and nurturing of children. The legislature recognizes that the Minnesota family investment plan is an investment strategy that will support and strengthen the family's social and financial functions. This investment in families will provide long-term benefits through stronger and more independent families.

Subd. 3. [AUTHORIZATION FOR THE DEMONSTRATION.] The commissioner of human services, in consultation with the commissioners of education, finance, jobs and training, health, and planning, and directors of the higher education coordinating board and the office of jobs policy, is authorized to proceed with the planning and designing of the Minnesota family investment plan and test policies, methods, and cost impacts on an experimental basis by using field trials. Sections 256.031 to 256.033 describe the basic principles of the program. Sections 256.034 to 256.038 provide a basis for congressional action. Using sections 256.031 to 256.038, the commissioner shall seek congressional authority to implement the program in field trials. After obtaining congressional authority to implement the Minnesota family investment plan in field trials, the commissioner will return to the legislature for specific appropriations for implementation of field trials. The field trials shall be conducted for as many years as necessary, and in different geographical settings, to provide reliable instruction about the desirability of expanding the program statewide.

Subd. 4. [GOALS OF THE MINNESOTA FAMILY INVESTMENT PLAN.] The commissioner shall design the program to meet the following goals:

(1) to support families' transition to financial independence by emphasizing options, removing barriers to work and education, providing necessary support services, and building a supportive

network of education, employment and training, health, social, counseling, and family-based services;

(2) to allow resources to be more effectively and efficiently focused on investing in families by removing the complexity of current rules and procedures and consolidating public assistance programs;

(3) to prevent long-term dependence on public assistance through paternity establishment, child support enforcement, emphasis on education and training, and early intervention with minor parents; and

(4) to provide families with an opportunity to increase their living standard by rewarding efforts aimed at transition to employment and by allowing families to keep a greater portion of earnings once they become employed.

Subd. 5. [FEDERAL WAIVERS.] The commissioner of human services shall seek authority from Congress to implement the Minnesota family investment plan on a demonstration basis. If necessary, the commissioner shall seek waivers of compliance with requirements for aid to families with dependent children under United States Code, title 42, sections 601 to 679a, as amended; medical assistance under United States Code, title 42, sections 1396 to 1396s, as amended; food stamps under United States Code, title 7, sections 2011 to 2030, as amended; and other federal requirements that would inhibit implementation of the Minnesota family investment plan.

The commissioner shall seek terms from the federal government that are consistent with the goals of the Minnesota family investment plan and that will maximize federal financial participation so that the extra costs to the state in implementing the program are minimized.

An agreement with the federal government under this section shall provide that the agreements may be canceled by the state or federal government upon six months' notice or immediately upon mutual agreement. If the agreements are canceled, families receiving assistance under the Minnesota family investment plan who are eligible for the aid to families with dependent children, general assistance, medical assistance, general assistance medical care, and the food stamp programs shall be placed on those programs.

Sec. 3. [256.032] [DEFINITIONS.]

Subdivision 1. [SCOPE OF DEFINITIONS.] The terms used in sections 256.031 to 256.038 have the meanings given them unless otherwise provided or indicated by the context.

Subd. 2. [CAREGIVER.] "Caregiver" means a minor child's natural or adoptive parent or parents who live in the home with the minor child. For purposes of determining eligibility for this program, caregiver also means any of the following individuals who live with and provide care and support to a minor child when the minor child's natural or adoptive parent or parents do not reside in the same home: grandfather, grandmother, brother, sister, stepfather, stepmother, stepbrother, stepsister, uncle, aunt, first cousin, nephew, niece, persons of preceding generations as denoted by prefixes of great or great-great, or a spouse of any person named in the above groups even after the marriage ends by death or divorce.

Subd. 3. [CASE MANAGEMENT.] "Case management" means the assessment of family needs and coordination of services necessary to support the family in its social and economic roles, in addition to the services described in section 256.736, subdivision 11.

Subd. 4. [COMMISSIONER.] "Commissioner" means the commissioner of human services or a designee.

Subd. 5. [CONTRACT.] "Contract" means a family self-sufficiency plan developed, together with a parental caregiver, by a county agency or its designee. The contract shall identify the parental caregiver's employment goal and explain what steps the family must take to pursue self-sufficiency. Activities may include:

- (1) orientation;
- (2) employment;
- (3) employment and training services as defined under section 256.736, subdivision 1a, paragraph (d);
- (4) preemployment activities;
- (5) participation in an educational program leading to a high school or general equivalency diploma and post-secondary education programs excluding postbaccalaureate degrees as provided in section 256.736, subdivision 1, paragraph (d);
- (6) case management;
- (7) social services; or
- (8) other programs or services leading to self-sufficiency. The contract shall also identify the services to be provided by the county agency, including support services such as transportation and child care.

Subd. 6. [DEPARTMENT.] "Department" means the department of human services.

Subd. 7. [FAMILY.] For purposes of determining eligibility for this program, "family" includes the following individuals who live together: a minor child or a group of minor children related to each other as siblings, half siblings, stepsiblings, or adopted siblings, together with their natural or adoptive parents, or their caregiver as defined in subdivision 2.

Subd. 8. [FAMILY WAGE LEVEL.] "Family wage level" means 120 percent of the sum of the current aid to families with dependent children standard of assistance and the full cash value of food stamps, for a family of the same size and composition.

Subd. 9. [FULL CASH VALUE OF FOOD STAMPS.] "Full cash value of food stamps" means the monthly coupon allotment amount for a family of a given size. The full cash value is determined by counting unearned income and subtracting the standard deduction and maximum shelter deduction from gross family income, as allowed under the federal Food Stamp Act of 1977, as amended, and Public Law Number 100-435. Full cash value of food stamps is calculated once, and used to determine the transitional standard under subdivision 14.

Subd. 10. [ORIENTATION.] "Orientation" means a presentation that meets the requirements of section 256.736, subdivision 10, provides information to caregivers about the Minnesota family investment plan, and encourages parental caregivers to engage in activities that will stabilize the family and lead to self-sufficiency.

Subd. 11. [PROGRAM.] "Program" means the Minnesota family investment plan.

Subd. 12. [SIGNIFICANT CHANGE.] "Significant change" means a change of ten percent or more in monthly gross family income, a change in family composition, or an increase in resources that may make a family ineligible for assistance.

Subd. 13. [TRANSITIONAL STATUS.] "Transitional status" means the status of caregivers who are independently pursuing self-sufficiency or caregivers who are complying with the terms of a contract with a county agency or its designee.

Subd. 14. [TRANSITIONAL STANDARD.] "Transitional standard" means the current aid to families with dependent children standard of assistance plus the full cash value of food stamps for a family of the same size and composition. This standard applies to families where the parental caregiver is in transitional status, and

to families in which the caregiver is exempt from having a contract or is exempt from complying with the terms of the contract.

Sec. 4. [256.033] [ELIGIBILITY FOR THE MINNESOTA FAMILY INVESTMENT PLAN.]

Subdivision 1. [ELIGIBILITY CONDITIONS.] A family is eligible for assistance under the Minnesota family investment plan if:

(1) the family's net income, after deducting an amount to cover taxes and child care, does not exceed the applicable standard of assistance for that family as defined under section 256.035, subdivision 14; and

(2) the family's resources do not exceed \$2,000.

Subd. 2. [DETERMINATION OF FAMILY INCOME.] The aid to families with dependent children income exclusions listed in Code of Federal Regulations, title 45, sections 233.20(a)(3) and 233.20(a)(4), shall be used when determining a family's available income. However, the disregard of the first \$75 of gross earned income is replaced with a single disregard described in section 256.035, subdivision 3, and all earned income of a minor child receiving assistance through the Minnesota family investment plan is excluded when the child is attending school at least half-time.

Subd. 3. [DETERMINATION OF FAMILY RESOURCES.] When determining a family's resources, the following are excluded:

(1) the family's home, together with the surrounding property not separated from the home by intervening property owned by others;

(2) one burial plot for each family member;

(3) one prepaid burial contract with an equity value of no more than \$1,500 for each member of the family;

(4) licensed automobiles, trucks, or vans up to a total equity value of \$4,500;

(5) the value of personal property needed to produce earned income, including tools, implements, farm animals, and inventory;

(6) the entire equity value of a motor vehicle determined to be necessary for the operation of a self-employment business; and

(7) clothing, necessary household furniture, equipment, and other basic maintenance items essential for daily living.

Sec. 5. [256.034] [PROGRAM SIMPLIFICATION.]

Subdivision 1. [CONSOLIDATION OF TYPES OF ASSISTANCE.] Under the Minnesota family investment plan, assistance previously provided to families through the aid to families with dependent children, food stamp, and general assistance programs shall be combined into a single cash assistance program. If authorized by Congress, families receiving assistance through the Minnesota family investment plan will automatically be eligible for medical assistance under chapter 256B. Federal, state, and local funds that would otherwise be allocated for assistance to families under the aid to families with dependent children, food stamp, and general assistance programs will be transferred to the Minnesota family investment plan. The food stamp, general assistance, and work readiness programs for single persons and couples who are not responsible for the care of children will not be replaced by the Minnesota family investment plan.

Subd. 2. [COUPON OPTION.] Families shall have the option to receive a portion of their assistance, designated by the commissioner, in the form of food coupons or vendor payments.

Subd. 3. [MODIFICATION OF ELIGIBILITY TESTS.] A needy family is eligible to receive assistance under the program even if its children are not found to be deprived of parental support or care by reason of death, continued absence from the home, physical or mental incapacity of a parent, or unemployment of a parent, provided the family's income and resources do not exceed the eligibility requirements in section 256.033. In addition, a family member who is physically and mentally fit, is between the ages of 18 and 60 years, and is enrolled at least half time in an institution of higher education is eligible for assistance under the Minnesota family investment plan even if the conditions for eligibility as prescribed under the federal Food Stamp Act of 1977, as amended, are not met.

An applicant for, or a person receiving, assistance under the Minnesota family investment plan shall cooperate with the efforts of the county agency to collect child and spousal support. The county agency is entitled to any child support and maintenance received by or on behalf of the person receiving assistance or another member of the family for which the person receiving assistance is responsible.

An applicant for, or a person receiving, assistance under the Minnesota family investment plan is not required to comply with the employment and training requirements prescribed under sections 256.736, subdivisions 3, 3a, and 14; and 256D.05, subdivision 1; section 402(a)(19) of the Social Security Act; the federal Food Stamp Act of 1977, as amended; Public Law Number 100-485; or any other state or federal employment and training program, unless compliance is specifically required in a contract with the county agency.

Subd. 4. [SIMPLIFICATION OF BUDGETING PROCEDURES.] The monthly amount of assistance provided by the Minnesota family investment plan shall be calculated based upon actual income or circumstances that existed in a previous month. When a family has a significant change in circumstances, the budgeting cycle shall be interrupted and the amount of assistance for the payment month shall be based on the county agency's best estimate of the family's income and circumstances for that month. Families may be required to report their income monthly; however, income may be averaged over a multi-month period.

Sec. 6. [256.035] [INCOME SUPPORT AND TRANSITION.]

Subdivision 1. [EXPECTATIONS.] All families eligible for assistance under the Minnesota family investment plan are expected to be in transitional status as defined in section 256.032, subdivision 13. To be considered in transitional status, families must meet the following expectations:

(a) For a family headed by a single adult parent, the expectation is that the parent will independently pursue self-sufficiency until the family has received assistance for 24 months within the preceding 36 months. Beginning with the 25th month of assistance, the parent must be developing or have a contract and comply with the terms of the contract with the county agency or its designee.

(b) For a family with a minor parent, the expectation is that, concurrent with the receipt of assistance, the minor parent must be developing or have a contract with the county agency. The terms of the contract shall include compliance with section 256.736, subdivision 3b.

(c) For a family with two adult parents, the expectation is that one or both parents will independently pursue self-sufficiency until the family has received assistance for six months within the preceding 12 months. Beginning with the seventh month of assistance, one or both parents must be developing or have a contract and comply with the terms of the contract with the county agency or its designee.

Subd. 2. [EXEMPTIONS.] A caregiver is exempt from the requirement of developing a contract and complying with the terms of the contract developed with the county agency or engage in transitional activities if:

(1) the caregiver is not the natural or adoptive parent of a minor child; or

(2) in the case of a parental caregiver, the county agency determines that:

- (i) individual circumstances prevent compliance;
- (ii) support services necessary to enable compliance are not available;
- (iii) activities identified in the contract are not available; or
- (iv) that a parental caregiver is willing to accept suitable employment but employment is not available.

Subd. 3. [SANCTIONS.] A family whose parental caregiver is not exempt from the expectations in subdivision 1, and who is not complying with those expectations shall have assistance reduced by a value equal to ten percent of the transitional standard as defined in section 256.032, subdivision 14.

Subd. 4. [TREATMENT OF INCOME.] To help families during their transition from the Minnesota family investment plan to self-sufficiency, the following income supports are available:

(a) The \$30 and one-third and \$75 disregards, allowed under section 256.74, subdivision 1, and the 20 percent earned income deduction allowed under the federal Food Stamp Act of 1977, as amended, shall be replaced with a single disregard of not less than 35 percent of gross earned income to cover taxes, other work-related expenses, and to reward the earning of income. This single disregard is available for the entire time a family receives assistance through the Minnesota family investment plan.

(b) The dependent care deduction, as prescribed under section 256.74, subdivision 1, and Public Law Number 100-435, shall be replaced with a child care subsidy earmarked for the Minnesota family investment plan.

(c) The family wage level, defined in section 256.032, subdivision 8, allows families to supplement earned income with assistance received through the Minnesota family investment plan. Once earnings have raised family income to a level equal to or greater than the family wage level, the amount of assistance received through the Minnesota family investment plan shall be reduced after earnings are adjusted according to the disregard described in paragraph (a).

Subd. 5. [ORIENTATION.] All caregivers receiving assistance through the Minnesota family investment plan must attend orientation.

Subd. 6. [CONTRACT.] To receive a transition stipend, a single adult parent who is a member of a family that has received assistance through the Minnesota family investment plan for 24

months within the preceding 36 months, a minor parent receiving assistance through the Minnesota family investment plan, and at least one parent in a two-parent family that has received assistance through the Minnesota family investment plan for six months within the preceding 12 months must comply with the terms of a contract with the county agency or its designee unless exempt under subdivision 2. Case management shall be provided to a caregiver who is a parent to assist the caregiver in meeting established goals and to monitor the caregiver's progress toward achieving those goals. The parental caregiver and the county agency must finalize the contract as soon as possible, but in any event within a reasonable period of time after the deadline specified in subdivision 1, paragraph (a), (b), or (c), whichever applies.

Subd. 7. [EMPLOYMENT BONUS.] A family leaving the program as a result of increased earnings through employment is entitled to an employment bonus. This bonus is a one-time cash incentive, not more than the family's monthly payment standard, to cover initial expenses incurred by the family leaving the Minnesota family investment plan.

Subd. 8. [CHILD CARE.] The commissioner shall ensure that each Minnesota family investment plan caregiver who is a parent in transitional status and needs assistance with child care costs to independently pursue self-sufficiency or comply with the terms of a contract with the county agency receives a child care subsidy through child care funds earmarked for the Minnesota family investment plan. This subsidy shall cover all child care costs for eligible hours up to the maximum rate specified in section 256H.16. A caregiver who is a parent who leaves the program as a result of increased earnings from employment and who needs child care assistance to remain employed shall be entitled to extended child care assistance under Public Law Number 100-485.

Subd. 9. [HEALTH CARE.] A family leaving the program as a result of increased earnings from employment, and who received medical assistance in at least three of the six months immediately preceding the month of termination, shall be eligible for extended medical assistance according to Public Law Number 100-485.

Sec. 7. [256.036] [PROTECTIONS.]

Subdivision 1. [SUPPORT SERVICES.] If assistance with child care or transportation is necessary to enable a caregiver who is a parent to work, obtain training or education, attend orientation, or comply with the terms of a contract with the county agency, and the county determines that child care or transportation is not available, the family's applicable standard of assistance shall continue to be the transitional standard.

Subd. 2. [VOLUNTEERS.] To the extent of available resources,

case management and support services shall be available to caregivers receiving assistance under the Minnesota family investment plan who are independently pursuing self-sufficiency.

Subd. 3. [NOTIFICATION REQUIREMENT.] The county agency shall contact a family headed by a single adult parent when the family has received assistance through the Minnesota family investment plan for 18 months within the preceding 36 months. The county agency shall remind the family that beginning with the 24th month of assistance, receipt of the transitional standard is contingent upon transitional status. The county agency shall encourage the family to begin preparing for the change in expectations.

Subd. 4. [TIMELY ASSISTANCE.] Applications shall be processed in a timely manner according to the federal Food Stamp Act of 1977, as amended, and no later than 30 days following the date of application unless conditions for extending the processing period apply. Financial assistance shall be provided on a regular basis to eligible families.

Subd. 5. [DUE PROCESS.] Any family that applies for or receives assistance under the Minnesota family investment plan whose application for assistance is denied or not acted upon with reasonable promptness, or whose assistance is suspended, reduced, terminated, or claimed to have been incorrectly paid, is entitled, upon request, to a hearing under section 256.045.

A parental caregiver may request a conciliation conference, under section 256.736, subdivisions 4a and 11, when the caregiver disputes the contents of a contract developed under the Minnesota family investment plan or disputes a decision regarding failure or refusal to cooperate with the terms of a contract. These disputes are not subject to administrative review under section 256.045, unless they result in a denial, suspension, reduction, or termination, and the parental caregiver complies with section 256.045. A caregiver need not request a conciliation conference to request a hearing pursuant to section 256.045.

Subd. 6. [TREATMENT OF FOOD ASSISTANCE.] The portion of cash assistance provided under the Minnesota family investment plan that the commissioner designates as representing food assistance shall be treated as in-kind income in determining eligibility for other state and federal programs.

Subd. 7. [ADJUSTMENT OF FOOD ASSISTANCE AMOUNT.] The commissioner shall adjust the food assistance portion of the assistance provided under the Minnesota family investment plan to reflect increases in the federal food stamp allotments and deductions.

Subd. 8. [EXPEDITED BENEFITS.] Federal and state prescribed

procedures and due process guarantees regarding expedited issuance of food stamps shall continue to be available to eligible families either by expediting issuance of a predesignated portion of assistance provided through the Minnesota family investment plan or through the existing food stamp program.

Subd. 9. [SPECIAL RIGHTS OF MIGRANT AND SEASONAL FARM WORKERS AND HOMELESS PEOPLE.] Federally prescribed procedures and due process guarantees that apply to migrant and seasonal farmworkers and homeless people shall continue to be available to eligible families.

Sec. 8. [256.037] [APPROPRIATION.]

\$190,000 in fiscal year 1990 and \$167,000 in fiscal year 1991 are appropriated from the general fund to the commissioner. Effective July 1, 1989, the complement of the department of human services is increased by four positions to continue the development and design of the Minnesota family investment plan. After securing federal approval to implement the Minnesota family investment plan on a field trial basis, the commissioner shall introduce a plan and funding request to the legislature for specific appropriations for the implementation of field trials.

Sec. 9. [256.038] [EFFECTIVE DATE.]

Effective with the date of enactment, the commissioner is authorized to proceed with the planning and designing of the Minnesota family investment plan, according to the requirements of sections 256.031 to 256.037. Sections 256.031 to 256.037 shall not become effective on a statewide basis until the legislature authorizes a specific date for statewide implementation.

Sec. 10. Minnesota Statutes 1988, section 256.045, subdivision 3, is amended to read:

Subd. 3. [STATE AGENCY HEARINGS.] (a) Any person applying for, receiving or having received public assistance or a program of social services granted by a local agency under sections 256.031 to 256.038 and 256.72 to 256.879, chapters 256B, 256D, 256E, 261, or the federal Food Stamp Act whose application for assistance is denied, not acted upon with reasonable promptness, or whose assistance is suspended, reduced, terminated, or claimed to have been incorrectly paid, or any patient or relative aggrieved by an order of the commissioner under section 252.27, or a party aggrieved by a ruling of a prepaid health plan, may contest that action or decision before the state agency by submitting a written request for a hearing to the state agency within 30 days after receiving written notice of the action or decision, or within 90 days of such written notice if the applicant, recipient, patient, or relative shows good

cause why the request was not submitted within the 30-day time limit.

(b) All prepaid health plans under contract to the commissioner pursuant to chapter 256B or 256D must provide for a complaint system according to section 62D.11. The prepaid health plan must notify the ombudsman within three working days of any formal complaint made under section 62D.11 by persons enrolled in a prepaid health plan under chapter 256B or 256D. At the time a complaint is made, the prepaid health plan must notify the recipient of the name and telephone number of the ombudsman. Recipients may request the assistance of the ombudsman in the complaint system process. The prepaid health plan shall issue a written resolution within 30 days of filing with the prepaid health plan. The ombudsman may waive the requirement that the complaint system procedures be exhausted prior to an appeal if the ombudsman determines that the complaint must be resolved expeditiously in order to provide care in an urgent situation.

(c) A state human services referee shall conduct a hearing on the matter and shall recommend an order to the commissioner of human services. The commissioner need not grant a hearing if the sole issue raised by an appellant is the commissioner's authority to require mandatory enrollment in a prepaid health plan in a county where prepaid health plans are under contract with the commissioner.

(d) In a notice of appeal from a ruling of a prepaid health plan, a recipient may request an expedited hearing. The ombudsman, after discussing with the recipient his or her condition and in consultation with a health practitioner who practices in the specialty area of the recipient's primary diagnosis, shall investigate and determine whether an expedited appeal is warranted. In making the determination, the ombudsman shall evaluate whether the medical condition of the recipient, if not expeditiously diagnosed and treated, could cause physical or mental disability, substantial deterioration of physical or mental health, continuation of severe pain, or death. The ombudsman may order a second medical opinion from the prepaid health plan or order a second medical opinion from a nonprepaid health plan provider at prepaid health plan expense. If the ombudsman determines that an expedited appeal is warranted, the state welfare referee shall hear the appeal and render a decision within a time commensurate with the level of urgency involved, based on the individual circumstances of the case. In urgent or emergency situations in which a prepaid health plan provider has prescribed treatment, and the prepaid health plan has denied authorization for that treatment, the referee may order the health plan to authorize treatment pending the outcome of the appeal.

Sec. 11. Minnesota Statutes 1988, section 256.12, subdivision 14, is amended to read:

Subd. 14. [DEPENDENT CHILD.] "Dependent child," as used in sections 256.72 to 256.87, means a child under the age of 18 years, or a child under the age of 19 years who is regularly attending as a full-time student, and is expected to complete before reaching age 19, a high school or a secondary level course of vocational or technical training designed to fit students for gainful employment, who is found to be deprived of parental support or care by reason of the death, continued absence from the home, physical or mental incapacity of a parent, or who is a child of an unemployed parent as that term is defined by the commissioner of human services, such definition to be consistent with and not to exceed minimum standards established by the Congress of the United States and the Secretary of Health and Human Services, and whose relatives, . . . . . When defining "unemployed parent," the commissioner shall count up to four calendar quarters of full-time attendance in any of the following toward the requirement that a principal earner have six or more quarters of work in any 13-calendar quarter period ending within one year before application for aid to families with dependent children:

(1) an elementary or secondary school;

(2) a federally approved vocational or technical training course designed to prepare the parent for gainful employment; or

(3) full-time participation in an education or training program established under the job training partnership act.

Dependent child also means a child:

(1) whose relatives are liable under the law for the child's support and are not able to provide adequate care and support of the child; and

(2) who is living with father, mother, grandfather, grandmother, brother, sister, stepfather, stepmother, stepbrother, stepsister, uncle, aunt, first cousin, nephew, or niece in a place of residence maintained by one or more of these relatives as a home.

The term "Dependent child" also means a child who has been removed from the home of a relative after a judicial determination that continuance in the home would be contrary to the welfare and best interests of the child and whose care and placement in a foster home or a private licensed child care institution is, in accordance with the rules of the commissioner, the responsibility of the state or county agency under sections 256.72 to 256.87. This child is eligible for benefits only through the foster care and adoption assistance program contained in Title IV-E of the Social Security Act, United States Code, title 42, sections 670 to 676, and is not entitled to benefits under sections 256.72 to 256.87.

Sec. 12. [256.484] [SOCIAL ADJUSTMENT SERVICES TO REFUGEES.]

Subdivision 1. [SPECIAL PROJECTS.] The commissioner of human services shall establish a grant program to provide social adjustment services to refugees residing in Minnesota who experience depression, emotional stress, and personal crises resulting from past trauma and refugee camp experiences.

Subd. 2. [DEFINITIONS.] For the purpose of this section, the following terms have the meanings given them.

(a) "Refugee" means a refugee or asylee status granted by the United States Immigration and Naturalization Service.

(b) "Social adjustment services" means treatment or services, including psychiatric assessment, chemical therapy, individual or family counseling, support group participation, aftercare or follow-up, information and referral, and crisis intervention.

Subd. 3. [PROJECT SELECTION.] The commissioner shall select projects for funding under this section. Projects selected must be administered by service providers who have experience in providing bilingual social adjustment services to refugees. Project administrators must present evidence that the service provider's social adjustment services for targeted refugees has historically resolved major problems identified at the time of intake.

Subd. 4. [PROJECT DESIGN.] Project proposals selected under this section must:

- (1) use existing resources when possible;
- (2) clearly specify program goals and timetables for project operation;
- (3) identify available support services, social services, and referral procedures to be used in serving the targeted refugees;
- (4) provide bilingual services; and
- (5) identify the training and experience that enable project staff to provide services to targeted refugees, and identify the number of staff with bilingual service expertise.

Subd. 5. [ANNUAL REPORT.] Selected service providers must report to the commissioner by June 30 of each year on the number of refugees served, the average cost per refugee served, the number and percentage of refugees who are successfully assisted through

social adjustment services, and recommendations for modifications in service delivery for the upcoming year.

Subd. 6. [FUNDING.] Unspent money appropriated for the first year of a biennium for social adjustment services to refugees does not cancel but is available to the commissioner to operate the grant program during the second year.

Sec. 13. [256.485] [CHILD WELFARE SERVICES TO MINOR REFUGEES.]

Subdivision 1. [SPECIAL PROJECTS.] The commissioner of human services shall establish a grant program to provide specialized child welfare services to Asian and Amerasian refugees under the age of 18 who reside in Minnesota.

Subd. 2. [DEFINITIONS.] For the purpose of this section, the following terms have the meanings given them.

(a) "Refugee" means refugee or asylee status granted by the United States Immigration and Naturalization Service.

(b) "Child welfare services" means treatment or services, including workshops or training regarding independent living skills, coping skills, and responsible parenting, and family or individual counseling regarding career planning, intergenerational relationships and communications, and emotional or psychological stress.

Subd. 3. [PROJECT SELECTION.] The commissioner shall select projects for funding under this section. Projects selected must be administered by service providers who have experience in providing child welfare services to minor Asian and Amerasian refugees.

Subd. 4. [PROJECT DESIGN.] Project proposals selected under this section must:

- (1) use existing resources when possible;
- (2) provide bilingual services;
- (3) clearly specify program goals and timetables for project operation;
- (4) identify support services, social services, and referral procedures to be used; and
- (5) identify the training and experience that enable project staff to provide services to targeted refugees, as well as the number of staff with bilingual service expertise.

Subd. 5. [ANNUAL REPORT.] Selected service providers must report to the commissioner by June 30 of each year on the number of refugees served, the average cost per refugee served, the number and percentage of refugees who are successfully assisted through child welfare services, and recommendations for modifications in service delivery for the upcoming year.

Subd. 6. [FUNDING.] Unspent money appropriated for the first year of a biennium for child welfare services to refugees does not cancel but is available to the commissioner for operation of the grant program during the second year.

Sec. 14. Minnesota Statutes 1988, section 256.73, subdivision 3a, is amended to read:

Subd. 3a. [PERSONS INELIGIBLE.] No assistance shall be given under sections 256.72 to 256.87:

(1) on behalf of any person who is receiving supplemental security income under title XVI of the Social Security Act unless permitted by federal regulations;

(2) for any month in which the assistance unit's gross income, without application of deductions or disregards, exceeds 185 percent of the standard of need for a family of the same size and composition; except that the earnings of a dependent child who is a full-time student may be disregarded for six calendar months per year and the earnings of a dependent child who is a full-time student that are derived from the jobs training and partnership act may be disregarded for six calendar months per year. If a stepparent's income is taken into account in determining need, the disregards specified in section 256.74, subdivision 1a shall be applied to determine income available to the assistance unit before calculating the unit's gross income for purposes of this paragraph;

(3) to any assistance unit for any month in which any caretaker relative with whom the child is living is, on the last day of that month, participating in a strike;

(4) on behalf of any other individual in the assistance unit, nor shall the individual's needs be taken into account for any month in which, on the last day of the month, the individual is participating in a strike;

(5) to an assistance unit if its eligibility is based on a parent's unemployment and the parent on behalf of any individual who is the principal earner in an assistance unit whose eligibility is based on the unemployment of a parent when the principal earner, without good cause, fails or refuses to seek work, to participate in the work incentive job search program under section 256.736, a community

work experience program under section 256.737 if this program is available and participation is mandatory in the county, to accept employment, or to register with a public employment office, unless the principal earner is exempt from these work requirements.

Sec. 15. Minnesota Statutes 1988, section 256.736, subdivision 3, is amended to read:

Subd. 3. [REGISTRATION.] (a) To the extent permissible under federal law, every caretaker or child is required to register for employment and training services, as a condition of receiving AFDC, unless the caretaker or child is:

(1) a child who is under age 16, a child age 16 or 17 who is attending elementary or secondary school or a secondary level vocational or technical school full time, ~~or a full-time student age 18 who is attending a secondary school or a secondary level vocational or technical program and who is expected to complete the school or program before reaching age 19;~~

(2) a caretaker who is ill, incapacitated or age 55 or older;

(3) a caretaker person for whom participation in an employment and training service would require a round trip commuting time by available transportation of more than two hours;

(4) a caretaker person whose presence in the home is required because of illness or incapacity of another member of the household;

(5) a caretaker or other caretaker relative of a child under the age of ~~six~~ three who personally provides full-time care for the child;

(6) a caretaker or other caretaker relative personally providing care for a child under six years of age, except that when child care is arranged for or provided, such caretaker or caretaker relative may be required to register and participate in employment and training services up to a maximum of 20 hours per week;

(7) a caretaker if another adult relative in the assistance unit is registered and has not, without good cause, failed or refused to participate or accept employment;

~~(7)~~ (8) a pregnant woman in the last trimester of pregnancy if it has been medically verified that the child is expected to be born in the current month or within the next six months;

(9) employed at least 30 hours per week; or

~~(8)~~ (10) a parent who is not the principal earner if the parent who is the principal earner is not exempt under clauses (1) to (7).

Any individual in clauses (3) and (5) to (8) must be advised of any available employment and training services and must be informed of any available child care and other support services required to register.

(b) To the extent permissible by federal law, applicants for benefits under the AFDC program are registered for employment and training services by signing the application form. Applicants must be informed that they are registering for employment and training services by signing the form. Persons receiving benefits on or after July 1, 1987, shall register for employment and training services to the extent permissible by federal law. The caretaker has a right to a fair hearing under section 256.045 with respect to the appropriateness of the registration.

Sec. 16. Minnesota Statutes 1988, section 256.736, subdivision 3b, is amended to read:

Subd. 3b. [MANDATORY ASSESSMENT AND SCHOOL ATTENDANCE FOR MINOR CERTAIN CUSTODIAL PARENTS.] This subdivision shall apply to the extent permitted under federal law and regulation.

(a) [DEFINITIONS.] The definitions in this paragraph apply to this subdivision.

(1) "Minor Custodial parent" means a recipient of AFDC who is under age 18, and who is the natural or adoptive parent of a child living with the minor custodial parent.

(2) "School" means:

(i) an educational program which leads to a high school diploma. The program or coursework may be, but is not limited to, a program under the post-secondary enrollment options of section 123.3514, a regular or alternative program of an elementary or secondary school, a technical institute, or a college;

(ii) coursework for a general educational development (GED) diploma of not less than six hours of classroom instruction per week; or

(iii) any other post-secondary educational program that is approved by the public school or the local agency under subdivision 11.

(b) [ASSESSMENT AND PLAN.] (1) [REQUIREMENT; CONTENT.] The county agency must examine the educational level of each custodial parent under the age of 20 to determine if the recipient has completed a high school education or its equivalent. If the custodial parent has not completed a high school education or its

equivalent and is not exempt from the requirement to attend school under paragraph (c), the county agency must complete an individual assessment for the custodial parent. The assessment must be performed as soon as possible but within 60 days of determining aid to families with dependent children eligibility for the custodial parent. The assessment must provide an initial examination of the custodial parent's educational progress and needs, literacy level, child care and supportive service needs, family circumstances, skills, work experience, and employability. The county, in consultation with educational agencies, must review the various school completion options with the parent and assist the parent in selecting the most appropriate option.

(2) [RESPONSIBILITY FOR ASSESSMENT AND PLAN.] For custodial parents who are under age 18, the assessment and the employability plan shall be completed by the county social services agency, as specified in section 257.33. For custodial parents who are age 18 or 19, the assessment and employability plan shall be completed by the case manager. Social services or the case manager shall consult with representatives of educational agencies required to assist in developing educational plans under section 126.235.

(3) [EDUCATION DETERMINED TO BE APPROPRIATE.] If the case manager or county social services agency identifies an appropriate educational option, it must develop an employability plan in consultation with the custodial parent which specifies that participation in an educational activity is required, what school or educational program is most appropriate, the services which will be provided, the activities in which the parent will take part, including child care and supportive services, the consequences to the custodial parent for failing to participate or comply with the specified requirements, and the right to appeal any adverse action.

(4) [EDUCATION DETERMINED TO BE NOT APPROPRIATE.] If the case manager determines that there is no appropriate educational option for a custodial parent who is age 18 or 19, the case manager must indicate the reasons for such determination. The case manager shall then notify the county agency, who shall refer the custodial parent to case management services under subdivision 11 for completion of an employability plan and services. If the custodial parent fails to participate or cooperate with case management services and does not have good cause for failing to participate or cooperate, the county agency shall apply the sanctions listed in subdivision 4, beginning with the first payment month after issuance of notice.

If the county social services agency determines that school attendance is not appropriate for a custodial parent who is under age 18, the county agency shall refer the custodial parent to social services for services as provided in section 257.33.

(c) [SCHOOL ATTENDANCE REQUIRED.] Notwithstanding subdivision 3, a minor custodial parent must attend school if all of the following apply:

(1) the minor parent has no child living with the parent who is younger than six weeks of age the custodial parent is less than 20 years of age;

(2) transportation services needed to enable the minor custodial parent to attend school are available;

(3) licensed or legal nonlicensed child care services needed to enable the minor custodial parent to attend school are available;

(4) the minor custodial parent has not already graduated from high school and has not received a general educational development (GED) diploma received a high school diploma or its equivalent; and

(5) the minor custodial parent does not have good cause for failing to attend school, as provided in paragraph (d); is not exempt because the custodial parent is:

(i) ill or incapacitated seriously enough to prevent the custodial parent from attending school;

(ii) needed in the home because of the illness or incapacity of another member of the household; this includes a custodial parent of a child who is younger than six weeks of age;

(iii) works 30 or more hours a week;

(iv) is pregnant if it has been medically verified that the child's birth is expected in the current month or within the next six months.

(e) (d) [ENROLLMENT AND ATTENDANCE.] The minor custodial parent must be enrolled in school and meeting the school's attendance requirements. The minor custodial parent is considered to be attending when the minor parent the custodial parent is enrolled but the school is not in regular session, including during holiday and summer breaks.

(d) (e) [GOOD CAUSE FOR NOT ATTENDING SCHOOL.] The local agency shall not impose the sanctions in subdivision 4 if it determines that a custodial parent has good cause for not being enrolled or for not meeting the school's attendance requirements. The local agency shall determine whether good cause for not attending or not enrolling in school exists, according to this paragraph:

(1) Good cause exists when the minor parent is ill or injured seriously enough to prevent the minor parent from attending school.

(2) Good cause exists when the minor parent's child is ill or injured and the minor parent's presence in the home is required to care for the child.

(3) Good cause exists when the local agency has verified that the only available school program requires round trip commuting time from the minor custodial parent's residence of more than two hours by available means of transportation, excluding the time necessary to transport children to and from child care.

(4) Good cause exists when there is an interruption in availability of child care services.

(5) (2) Good cause exists when the minor custodial parent has indicated a desire to attend school, but the public school system is not providing for the minor parent's the custodial parent's education and alternative programs are not available.

(6) Good cause exists when the school does not cooperate with the local agency in providing verification of the minor parent's education or attendance.

(7) Good cause exists when the minor parent or the minor parent's child has a medical appointment or an appointment with the local welfare agency, is required to appear in court during the minor parent's normal school hours, or has any other obligation consistent with the case management contract.

(8) For the minor parent of a child between six and 12 weeks of age, good cause exists when child care is not available on the premises of the school, or a medical doctor certifies that it would be better for the health of either the parent or the child for the parent to remain at home with the child for a longer period of time.

(e) (f) [FAILURE TO COMPLY.] The case manager and social services shall establish ongoing contact with appropriate school staff to monitor problems that custodial parents may have in pursuing their educational plan, and jointly seek solutions to prevent parents from failing to complete education. If the school notifies the local agency that the minor custodial parent is not enrolled or is not meeting the school's attendance requirements, and the local agency or appears to be facing barriers to completing education, such information shall be conveyed to the case manager for a custodial parent age 18 or 19, or to social services for a custodial parent under age 18. The case manager or social services shall reassess the appropriateness of school attendance as specified in paragraph (c). If after consultation school attendance is still

appropriate and the case manager or social services determines that the ~~minor~~ custodial parent has failed to enroll or is not meeting the school's attendance requirements and the custodial parent does not have good cause, the local agency case manager or social services shall inform the custodial parent's financial worker who shall apply the sanctions listed in subdivision 4 beginning with the first payment month after issuance of notice.

(f) (g) [NOTICE AND HEARING.] A right to notice and fair hearing shall be provided in accordance with section 256.045 and the Code of Federal Regulations, title 45, section 205.10.

(g) (h) [SOCIAL SERVICES.] When a ~~minor~~ custodial parent under the age of 18 has failed to attend school, is not exempt, and does not have good cause, the local agency shall refer the ~~minor~~ custodial parent to social services for services, as provided in section 257.33.

(h) (i) [VERIFICATION.] No less often than quarterly, the local agency financial worker must verify that the ~~minor~~ custodial parent is meeting the requirements of this subdivision. Notwithstanding section 13.32, subdivision 3, when the local agency notifies the school that a ~~minor~~ custodial parent is subject to this subdivision, the school must furnish verification of school enrollment and attendance, and progress to the local agency. In no situation shall the county agency impose the sanctions in paragraph (f) if the school fails to cooperate in providing verification of the minor parent's education, attendance, or progress.

Sec. 17. Minnesota Statutes 1988, section 256.736, is amended by adding a subdivision to read:

Subd. 3d. [COORDINATION OF SERVICES FOR AT-RISK ADOLESCENTS.] (a) [PURPOSE.] The departments of education, human services, and jobs and training, shall coordinate services between those departments for at-risk adolescents and teenage parents, in order to improve access to educational programs, to evaluate current at-risk or teen parent programs, and to promote self-sufficiency. This shall include, but not be limited to, educating staff about the educational options and programs available through each department which are appropriate for adolescents and teenage parents; methods of informing adolescents and teenage parents of services and programs; methods of encouraging and motivating adolescents and teenage parents to use such services and programs; and the advantages of doing so.

(b) [PILOT PROJECTS.] Funds under this section may be used for one or more pilot projects designed to improve access to education for at-risk adolescents and minor parents, especially those receiving aid to families with dependent children. Pilot projects may focus on one or more of the following: improving access to services dealing with

the needs of adolescent parents or adolescents at risk of pregnancy that address issues such as male responsibility and alternative placements for teen mothers with infants; or development of service models for adolescent parents already in the social services system. The commissioners of education, human services, and jobs and training shall request proposals for the projects and shall jointly review and select proposals.

(c) [PRIVATE FUNDING FOR LOCAL PROJECTS.] The commissioners of education, human services, and jobs and training may jointly seek private sources of funding to facilitate pilot projects at the local level. The commissioners shall determine how the private funding is to be allocated to local projects.

Sec. 18. Minnesota Statutes 1988, section 256.736, subdivision 4, is amended to read:

Subd. 4. [CONDITIONS OF CERTIFICATION.] The commissioner of human services shall:

(1) Arrange for or provide any caretaker or child required to participate in employment and training services pursuant to this section with child-care services, transportation, and other necessary family services;

(2) Pay ten percent of the cost of the work incentive program and any other costs that are required of that agency by federal regulation for employment and training services for recipients of aid to families with dependent children;

(3) Provide that in determining a recipient's needs any monthly incentive training payment made to the recipient by the department of jobs and training is disregarded and the additional expenses attributable to participation in a program are taken into account in grant determination to the extent permitted by federal regulation; and

(4) (3) Provide that the county board shall impose the sanctions in clause (5) or (6) (4) when the county board:

(a) is notified that a caretaker or child required to participate in employment and training services has been found by the employment and training service provider to have failed without good cause to participate in appropriate employment and training services or to have failed without good cause to accept a bona fide offer of public or other employment;

(b) determines that a minor custodial parent under the age of 16 who is required to attend school under subdivision 3b has, without good cause, failed to attend school;

(e) (b) determines that subdivision 3c applies to a minor parent and the minor parent has, without good cause, failed to cooperate with development of a social service plan or to participate in execution of the plan, to live in a group or foster home, or to participate in a program that teaches skills in parenting and independent living; or

(d) (c) determines that a caretaker has, without good cause, failed to attend orientation.

(5) (4) To the extent permissible by federal law, impose the following sanctions ~~must be imposed~~ for a recipient's failure to participate in required employment and training services, education, orientation, or the requirements of subdivision 3c:

(a) For the first failure, 50 percent of the grant provided to the family for the month following the failure shall be made in the form of protective or vendor payments;

(b) For the second and subsequent failures, the entire grant provided to the family must be made in the form of protective or vendor payments. Assistance provided to the family must be in the form of protective or vendor payments until the recipient complies with the requirement; and

(c) When protective payments are required, the local agency may continue payments to the caretaker if a protective payee cannot reasonably be found.

(6) When the sanctions provided by clause (5) are not permissible under federal law, the following sanctions shall be imposed for a recipient's failure to participate in required employment and training services, education, orientation, or the requirements of subdivision 3c

(5) Provide that the county board shall impose the sanctions in clause (6) when the county board:

(a) Determines that a caretaker or child required to participate in employment and training services has been found by the employment and training service provider to have failed without good cause to participate in appropriate employment and training services or to have failed without good cause to accept, through the job search program described in subdivision 14, or the community work experience program described in section 256.737, a bona fide offer of public or other employment; or

(b) Determines that a custodial parent aged 16 through 19 who is required to attend school under subdivision 3b has, without good cause, failed to enroll or attend school.

(6) To the extent required by federal law, the following sanctions must be imposed for a recipient's failure to participate in required employment and training services, to accept a bona fide offer of public or other employment, or to enroll or attend school under subdivision 3b.

(a) If the caretaker fails to participate, the caretaker's For the first failure, the needs of the noncompliant individual shall not be taken into account in making the grant determination, and aid for any dependent child in the family will be made in the form of protective or vendor payments, except that when protective payments are made, the local agency may continue payments to the caretaker if a protective payee cannot reasonably be found. The standard of assistance for the remaining eligible members of the assistance unit is the standard that is used in other instances in which the caretaker is excluded from the assistance unit for noncompliance with a program requirement until the individual complies with the requirements.

(b) For the second failure, the needs of the noncompliant individual shall not be taken into account in making the grant determination until the individual complies with the requirement or for three consecutive months, whichever is longer.

(c) For subsequent failures, the needs of the noncompliant individual shall not be taken into account in making the grant determination until the individual complies with the requirement or for six consecutive months, whichever is longer.

(d) Aid with respect to a dependent child will be denied if a child who fails to participate is the only child receiving aid in the family.

(e) If there is more than one child receiving aid in the family, aid for the child who fails to participate will be denied and the child's needs will not be taken into account in making the grant determination.

(d) If the assistance unit's eligibility is based on the nonexempt principal earner's unemployment and this principal earner fails without good cause to participate or to accept employment, the entire assistance unit is ineligible for benefits under sections 256.72 to 256.87.

(e) If the noncompliant individual is a parent or other relative caretaker, payments of aid for any dependent child in the family shall be made in the form of protective or vendor payments. When protective payments are required, the county agency may continue payments to the caretaker if a protective payee cannot reasonably be found. When protective payments are imposed on assistance units whose basis of eligibility is unemployed parent or incapacitated parent, cash payments may continue to the nonsanctioned

caretaker in the assistance unit, subject to clause (f). After removing a caretaker's needs from the grant, the standard of assistance applicable to the remaining eligible members of the assistance unit is the standard that is used in other instances in which the caretaker is excluded from the assistance unit for noncompliance with a program requirement.

(f) If the noncompliant individual is a parent or other caretaker of a family whose basis of eligibility is unemployed parent and the noncompliant individual's spouse is not participating in an approved employment and training service, the needs of such spouse shall not be taken into account in making the grant determination.

Sec. 19. Minnesota Statutes 1988, section 256.736, subdivision 10, is amended to read:

Subd. 10. [COUNTY DUTIES.] To the extent of available state appropriations, county boards shall:

(1) refer all priority caretakers required to register under subdivision 3 to an employment and training service provider for participation in employment and training services;

(2) identify to the employment and training service provider caretakers who fall into the priority groups;

(3) provide all caretakers with an orientation which (a) gives information on available employment and training services and support services; and (b) encourages clients to view AFDC as a temporary program providing grants and services to clients who set goals and develop strategies for supporting their families without AFDC assistance 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 priority 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 nonpriority 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 the employment special needs fund or other available funds to caretakers who participate in employment and training programs, with priority for services to caretakers in priority groups;

(11) ensure that orientation, employment search, 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; and

(12) explain in its local service unit plan under section 268.88 how it will ensure that priority 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.

A county board may provide other employment and training services that it considers necessary to help caretakers obtain self-sufficiency.

Notwithstanding section 256G.07, when a priority 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 or its case manager, the county that approved the plan is responsible for the costs of case management, child care, and other services required to carry out the plan. The county agency's responsibility for those costs ends when all plan obligations have been met, the caretaker loses aid to families with dependent children eligibility for at least 30 days, or when approval of the plan is withdrawn for a reason stated in the plan, whichever is earliest. 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 nonpriority caretaker relocates to another county or when a priority caretaker again becomes eligible for aid to families with dependent children after having been ineligible for at least 30 days.

(13) to the extent allowed by federal laws and regulations, provide a job search program as defined in subdivision 14 and at least one of the following employment and training services:

(a) community work experience program (CWEP) as defined in section 256.737;

(b) grant diversion as defined in section 268.86;

(c) on-the-job training as defined in section 256.738; or

(d) another work and training program as 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. Each county is urged to adopt grant diversion as the second program required under this clause.

(14) provide an assessment of each aid to families with dependent children recipient who is required or volunteers to participate in one of the employment and training services specified in clause (13), including job search, and to recipients who volunteer for participation in case management under subdivision 11. The assessment shall include an evaluation of the participant's (a) educational, child care, and other supportive service needs; (b) skills and prior work experience; (c) ability to secure and retain a job which, when wages are added to child support, will support the participant's family; and (d) a review of the participant's family circumstances.

(15) develop an employability development plan for each recipient for whom an assessment is required under clause (14) which (a) 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; (b) is based on available resources and local employment opportunities; (c) specifies the services to be provided by the employment and training service provider; (d) specifies the activities the recipient will participate in; (e) specifies necessary supportive services such as child care; and (f) specifies the recipient's employment goal.

(16) assure that no work assignment under this section or sections 256.737 and 256.738 shall result in:

(a) termination, layoff, or reduction of the work hours of an employee for the purpose of hiring an individual under the above sections;

(b) the hiring of an individual if any other person is on layoff from the same or a substantially equivalent job;

(c) any infringement of the promotional opportunities of any currently employed individual;

(d) the impairment of existing contracts for services or collective bargaining agreements; or

(e) a participant filling an established unfilled position vacancy.

Funds available under the above sections may not be used to assist, promote, or deter union organizing.

Sec. 20. Minnesota Statutes 1988, section 256.736, is amended by adding a subdivision to read:

Subd. 10a. [ORIENTATION.] Each county agency must provide an orientation to all caretakers within its jurisdiction whose attendance at such orientation is mandatory and who are determined eligible for aid to families with dependent children on or after July 1, 1989. The county agency shall require attendance at orientation of all caretakers, except those who are: physically disabled, mentally ill, or developmentally disabled and whose condition has or is expected to continue for at least 90 days and will prevent participation in educational programs or employment and training services; aged 55 or older; and, those who are currently employed in unsubsidized employment that is expected to continue at least 30 days and which provides an average of at least 30 hours of employment per week.

The orientation must consist of a presentation that informs caretakers of:

(1) the identity, location, and phone numbers of employment and training and support services available in the county;

(2) the types and locations of child care services available through the county agency which are accessible to participate in educational programs or employment and training services;

(3) the availability of assistance for participants to help select appropriate child care services and that, on request, assistance will be provided to select appropriate child care services;

(4) the obligations of the county agency and service providers under contract to the county agency;

(5) the rights, responsibilities, and obligations of participants;

(6) the grounds for exemption from mandatory employment and training services or educational requirements;

(7) the consequences for failure to participate in mandatory services or requirements; and

(8) the method of entering educational programs or employment and training services available through the county.

Orientation must encourage recipients to view aid to families with dependent children as a temporary program providing grants and services to individuals who set goals and develop strategies for supporting their families without aid to families with dependent children assistance. The content of the orientation must not imply that a recipient's eligibility for aid to families with dependent children is time limited. Orientation may be provided through audio-visual methods, but the caretaker must be given an opportunity for face-to-face interaction with staff of the county agency or the entity providing the orientation, and an opportunity to express the desire to participate in educational programs and employment and training services offered through the county agency.

County agencies shall not require caretakers to attend orientation for more than three hours during any period of 12 continuous months. The local agency shall also arrange for or provide needed transportation and child care to enable caretakers to attend.

Sec. 21. Minnesota Statutes 1988, section 256.736, is amended by adding a subdivision to read:

Subd. 10b. [INFORMING.] Each county agency must provide written information concerning the topics identified in subdivision 10a, clauses (1) to (8), to all aid to families with dependent children caretakers within the county agency's jurisdiction who are exempt from the requirement to attend orientation, except those under age 16, and to recipients who have good cause for failing to attend orientation as specified in rules adopted by the commissioner. The written materials must tell the individual how the individual may indicate the desire to participate in educational programs and employment and training services offered through the county, and must be mailed or hand delivered to the recipient at the time that the recipient is determined to be exempt or have good cause for failing to attend an orientation.

Sec. 22. Minnesota Statutes 1988, section 256.736, subdivision 14, is amended to read:

Subd. 14. [EMPLOYMENT JOB SEARCH.] (a) The commissioner of human services shall establish an employment a job search program under United States Code, title 42, section 602(a)(35) Public Law Number 100-485. The principal wage earner in an AFDC-UP assistance unit must participate be referred to and must begin participation in the employment job search program within four months of being determined eligible for AFDC-UP unless:

- (1) the caretaker is already participating in another approved employment and training service;
- (2) the caretaker's employability plan specifies other activities; or

(3) the caretaker is exempt from registration under section 256.736, subdivision 3; or

(4) the caretaker is unable to secure employment due to inability to communicate in the English language, is participating in an English as a second language course, and is making satisfactory progress towards completion of the course. If an English as a second language course is not available to the caretaker, the caretaker shall be exempt from participation until such time as a course becomes available.

The employment and training service provider shall refer caretakers unable to communicate in the English language to English as a second language courses.

(b) The employment job search program must provide the following services:

(1) an initial period of up to four weeks of job search activities for not more than 32 hours per week. The employment and training service provider shall specify for each participating caretaker the number of weeks and hours of job search to be conducted and shall report to the county board if the caretaker fails to cooperate with the employment search requirement; and

(2) an additional period of job search following the first period at the discretion of the employment and training service provider. The total of these two periods of job search may not exceed eight weeks for any 12 consecutive month period beginning with the month of application.

(c) The employment search program may provide services to non-AFDC-UP caretakers.

Sec. 23. Minnesota Statutes 1988, section 256.736, subdivision 16, is amended to read:

Subd. 16. [ALLOCATION AND USE OF MONEY.] (a) State money appropriated for employment and training services under this section must be allocated to counties as follows:

(1) Forty percent of the state money must be allocated based on the average monthly number of caretakers receiving AFDC in the county who are under age 21 and the average monthly number of AFDC cases open in the county for 24 or more consecutive months and residing in the county for the 12-month period ending March December 31 of the previous fiscal year.

(2) Twenty percent of the state money must be allocated based on the average monthly number of nonpriority caretakers receiving

AFDC in the county for the period ending ~~March~~ December 31 of the previous fiscal year. Funds may be used to develop employability plans for nonpriority caretakers if resources allow.

(3) Twenty-five percent of the state money must be allocated based on the average monthly number of assistance units in the county receiving AFDC-UP for the period ending ~~March~~ December 31 of the previous fiscal year.

(4) Fifteen percent of the state money must be allocated at the discretion of the commissioner based on participation levels for priority group members in each county.

(b) No more than 15 percent of the money allocated under paragraph (a) may be used for administrative activities.

(c) Except as provided in paragraph (d), at least 70 percent of the money allocated to counties must be used for case management services and employment and training services for caretakers in the priority groups. Up to 30 percent of the money may be used for employment search activities and employment and training services for nonpriority caretakers.

(d) A county ~~whose proportion of the statewide average monthly AFDC-UP caseload exceeds its proportion of the statewide AFDC caseload having a high proportion of nonpriority caretakers which interferes with the county's ability to meet the 70 percent spending requirement of clause (c)~~ may, with the approval of the commissioner of human services, use up to 40 percent of the money allocated under this section for ~~employment search activities orientation and employment and training services for nonpriority caretakers.~~

(e) Funds appropriated to cover the nonfederal share of costs for bilingual case management services to refugees for the employment and training programs under this section are allocated to counties based on the county's proportion of the total statewide number of aid to families with dependent children refugee cases. However, counties with less than one percent of the statewide number of aid to families with dependent children refugee cases shall not receive an allocation.

(f) Counties and the department of jobs and training shall bill the commissioner of human services for any expenditures incurred by the county, the county's employment and training service provider, or the department of jobs and training that may be reimbursed by federal money. The commissioner of human services shall bill the United States Department of Health and Human Services and the United States Department of Agriculture for the reimbursement and appropriate the reimbursed money to the county or employment and training service provider that submitted the original bill. The

reimbursed money must be used to expand employment and training services.

(g) The commissioner of human services shall review county expenditures of case management and employment and training block grant funds at the end of the fourth quarter of the biennium and each quarter thereafter, and may reallocate unencumbered or unexpended funds allocated under this section to those counties which can demonstrate a need for additional funds. Reallocation of funds shall be based on the formula set forth in clause (a), excluding the counties who have not demonstrated a need for additional funds.

Sec. 24. Minnesota Statutes 1988, section 256.737, is amended to read:

#### 256.737 [COMMUNITY WORK EXPERIENCE PROGRAM.]

Subdivision 1. [PILOT PROGRAMS ESTABLISHMENT AND PURPOSE.] In order that persons receiving aid under this chapter may be assisted in achieving self-sufficiency by enhancing their employability through meaningful work experience and training and the development of job search skills, the commissioner of human services may continue the pilot community work experience demonstration programs that were approved by January 1, 1984. No new pilot community work experience demonstration programs may be established under this subdivision establish additional community work experience programs in as many counties as necessary to comply with the participation requirement of the Family Support Act of 1988, Public Law Number 100-485. Programs established on or after July 1, 1989, must be operated on a volunteer basis.

Subd. 1a. [COMMISSIONER'S DUTIES.] The commissioner shall: (a) assist counties in the design, implementation, and evaluation of these demonstration programs; (b) promulgate, in accordance with chapter 14, emergency rules necessary for the implementation of this section, except that the time restrictions of section 14.35 shall not apply and the rules may be in effect until the termination of the demonstration programs June 30, 1990, unless superseded by permanent rules; and (c) seek any federal waivers necessary for proper implementation of this section in accordance with federal law. The commissioner shall; and (d) prohibit the use of participants in the programs to do work that was part or all of the duties or responsibilities of an authorized public employee position established as of January 1, 1985-1989. The exclusive bargaining representative shall be notified no less than 14 days in advance of any placement by the community work experience program. Concurrence with respect to job duties of persons placed under the community work experience program shall be obtained from the appropriate exclusive bargaining representative. The appropriate oversight committee shall be given monthly lists of all job placements under a community work experience program.

As the commissioner phases in case management and other employment and training services under section 256.736, and no later than June 30, 1989, the commissioner may phase out projects under this section.

Subd. 2. [ADDITIONAL PROGRAMS REQUIREMENTS.] In addition to the pilot programs established in subdivision 1, the commissioner may approve the application of up to eight additional counties to enter into a community work experience program. The programs under this subdivision are governed by subdivision 1 except as in paragraphs (a) and (b). Programs under this section shall be limited to projects that serve a useful public service such as: health, social service, environmental protection, education, urban and rural development and redevelopment, welfare, recreation, public facilities, public safety, and child care. To the extent possible, the prior training, skills, and experience of a recipient shall be used in making appropriate work experience assignments. County agencies which choose to operate a community work experience program must:

(a) As a condition to placing a person receiving aid to families with dependent children in a program under this subdivision, the county shall first provide the recipient the opportunity to participate in the following services:

(1) placement in suitable subsidized or unsubsidized employment through participation in job search under section 256.736, subdivision 14; or

(2) basic educational or vocational or occupational training for an identifiable job opportunity.

(b) If the recipient refuses suitable employment and a training program, the county may, subject to subdivision 1, require the recipient to participate in a community work experience program as a condition of eligibility.

(c) Limit the maximum number of hours any participant under this section may be required to work in any month to a number equal to the amount of the aid to families with dependent children payable to the family divided by the greater of the federal minimum wage or the applicable state minimum wage.

(d) After a participant has been assigned to a position under this section for nine months, the participant shall not be required to continue in that assignment unless the maximum number of hours a participant is required to work is no greater than the amount of the aid to families with dependent children payable with respect to the family divided by the higher of (1) the federal minimum wage or the applicable state minimum wage, whichever is greater, or (2) the

rate of pay for individuals employed in the same or similar occupations by the same employer at the same site.

(e) After each six months of a recipient's participation in an assignment, and at the conclusion of each assignment under this section, reassess and revise, as appropriate, each participant's employability development plan.

(f) Apply the grant reduction sanctions specified in section 256.736, subdivision 4, clause (6), when it is determined that a mandatory participant has failed, without good cause, to participate in the program.

Sec. 25. [256.738] [ON-THE-JOB TRAINING.]

County agencies may, in accordance with section 256.736, subdivision 10, develop on-the-job training programs which permit voluntary participation by aid to families with dependent children recipients. A county agency which chooses to provide on-the-job training as one of its optional employment and training services may make payments to employers for on-the-job training costs which, during the period of such training, average less than 50 percent of the wages paid by the employer to the participant. Such payments shall be deemed to be in compensation for the extraordinary costs associated with training participants under this section, and in compensation for the costs associated with the lower productivity of such participants during training.

County agencies shall limit the length of training based on the complexity of the job and the recipient's previous experience and training. Placement in an on-the-job training position with an employer shall be for the purpose of training and employment with the same employer, who has agreed to retain the person upon satisfactory completion of training.

Placement of any recipient in an on-the-job training position must be compatible with the assessment and employability development plan established for the recipient under section 256.736, subdivision 10, clauses (14) and (15).

Provision of an on-the-job training program under the job training partnership act, in and of itself, does not qualify as an on-the-job training program under section 256.736, subdivision 10, clause (13).

Sec. 26. Minnesota Statutes 1988, section 256.74, subdivision 1, is amended to read:

Subdivision 1. [AMOUNT.] The amount of assistance which shall be granted to or on behalf of any dependent child and mother or other needy eligible relative caring for the dependent child shall be

determined by the county agency in accordance with rules promulgated by the commissioner and shall be sufficient, when added to all other income and support available to the child, to provide the child with a reasonable subsistence compatible with decency and health. The amount shall be based on the method of budgeting required in Public Law Number 97-35, section 2315, United States Code, title 42, section 602, as amended and federal regulations at Code of Federal Regulations, title 45, section 233. Nonrecurring lump sum income received by an assistance unit must be budgeted in the normal retrospective cycle. The number of months of ineligibility is determined by dividing the amount of the lump sum income and all other income, after application of the applicable disregards, by the standard of need for the assistance unit. An amount remaining after this calculation is income in the first month of eligibility. If the total monthly income including the lump sum income is larger than the standard of need for a single month the first month of ineligibility is the payment month that corresponds with the budget month in which the lump sum income was received. In making its determination the county agency shall disregard the following from family income:

(1) all of the earned income of each dependent child receiving aid to families with dependent children who is a full-time student or part-time student, and not a full-time employee, attending a school, college, or university, or a course of vocational or technical training designed to fit students for gainful employment as well as all the earned income derived from the job training and partnership act (JTPA) for a dependent child for six calendar months per year, together with unearned income derived from the job training and partnership act;

(2) all educational grants and loans;

(3) the first \$75 \$90 of each individual's earned income. For self-employed persons, the expenses directly related to producing goods and services and without which the goods and services could not be produced shall be disregarded pursuant to rules promulgated by the commissioner;

(4) an amount equal to the actual expenditures but not to exceed \$160 for the care of each dependent child or incapacitated individual living in the same home and receiving aid. In the case of a person not engaged in full-time employment or not employed throughout the month, the commissioner shall prescribe by rule a lesser amount to be disregarded;

(5) thirty dollars plus one-third of the remainder of each individual's earned income not already disregarded for individuals found otherwise eligible to receive aid or who have received aid in one of the four months before the month of application. With respect to any

month, the county welfare agency shall not disregard under this clause any earned income of any person who has:

(a) reduced earned income without good cause within 30 days preceding any month in which an assistance payment is made; or

(b) refused without good cause to accept an offer of suitable employment; or

(c) left employment or reduced earnings without good cause and applied for assistance so as to be able later to return to employment with the advantage of the income disregard; or

(d) failed without good cause to make a timely report of earned income in accordance with rules promulgated by the commissioner of human services.

Persons who are already employed and who apply for assistance shall have their needs computed with full account taken of their earned and other income. If earned and other income of the family is less than need, as determined on the basis of public assistance standards, the county agency shall determine the amount of the grant by applying the disregard of income provisions. The county agency shall not disregard earned income for persons in a family if the total monthly earned and other income exceeds their needs, unless for any one of the four preceding months their needs were met in whole or in part by a grant payment.

The disregard of \$30 and one-third of the remainder of earned income described in clause ~~(5)~~ (4) shall be applied to the individual's income for a period not to exceed four consecutive months. Any month in which the individual loses this disregard because of the provisions of clauses ~~(5)(a)~~ (4)(a) to ~~(5)(d)~~ (4)(d) shall be considered as one of the four months. An additional \$30 work incentive must be available for an eight-month period beginning in the month following the last month of the combined \$30 and one-third work incentive. This period must be in effect whether or not the person has earned income or is eligible for AFDC. To again qualify for the earned income disregards under clause ~~(d)~~ (4), the individual must not be a recipient of aid for a period of 12 consecutive months. When an assistance unit becomes ineligible for aid due to the fact that these disregards are no longer applied to income, the assistance unit shall be eligible for medical assistance benefits for a 12-month period beginning with the first month of AFDC ineligibility;

(5) an amount equal to the actual expenditures but not to exceed the amounts listed in clauses (a) and (b) for the care of each dependent child or incapacitated individual living in the same home and receiving aid;

(a) \$175 for each individual age two and older, and \$200 for each individual under the age of two, when the family member whose needs are included in the eligibility determination is employed for 30 or more hours per week; or

(b) \$174 for each individual age two or older, and \$199 for each individual under the age of two, when the family member whose needs are included in the eligibility determination is not employed throughout the month or when employment is less than 30 hours per week.

The dependent care disregard shall be applied after all other disregards under subdivision I have been applied.

(6) the first \$50 per assistance unit of the monthly support obligation collected by the support and recovery (IV-D) unit; and. The first \$50 of periodic support payments collected by the public authority responsible for child support enforcement from a person with a legal obligation to pay support for a member of the assistance unit shall be paid to the assistance unit within 15 days after the end of the month in which the collection of such periodic support payments occurred and shall be disregarded in determining the amount of assistance;

(7) that portion of an insurance settlement earmarked and used to pay medical expenses, funeral and burial costs, or to repair or replace insured property; and

(8) all earned income tax credit payments received by the family as a refund of federal income taxes or made as advance payments by an employer.

The first \$50 of periodic support payments collected by the public authority responsible for child support enforcement from a person with a legal obligation to pay support for a member of the assistance unit shall be paid to the assistance unit within 15 days after the end of the month in which the collection of such periodic support payments occurred and shall be disregarded in determining the amount of assistance.

Sec. 27. Minnesota Statutes 1988, section 256.74, subdivision 1a, is amended to read:

Subd. 1a. [STEPPARENT'S INCOME.] In determining income available, the county agency shall take into account the remaining income of the dependent child's stepparent who lives in the same household after disregarding:

(1) the first \$75 of the stepparent's gross earned income. The commissioner shall prescribe by rule lesser amounts to be disre-

garded for stepparents who are not engaged in full-time employment or not employed throughout the month;

(2) an amount for support of the stepparent and any other individuals whom the stepparent claims as dependents for determining federal personal income tax purposes liability and who live in the same household but whose needs are not considered in determining eligibility for assistance under sections 256.72 to 256.87. The amount equals the standard of need for a family of the same composition as the stepparent and these other individuals;

(3) amounts the stepparent actually paid to individuals not living in the same household but whom the stepparent claims as dependents for determining federal personal income tax purposes liability; and

(4) alimony or child support, or both, paid by the stepparent for individuals not living in the same household.

Sec. 28. [256.983] [FRAUD PREVENTION INVESTIGATIONS.]

(a) Within the limits of available appropriations, and to the extent either required or authorized by applicable federal regulations, the commissioner of human services shall select and fund not less than four pilot projects for a two-year period to test the effectiveness of fraud prevention investigations conducted at the point of application for assistance. County agencies shall be selected to be involved in the pilot projects based on their response to requests for proposals issued by the commissioner. One of the county agencies selected must be located in either Hennepin or Ramsey county, one must be from the rest of the seven-county metropolitan area, and two must be located outside the metropolitan area.

(b) If proposals are not submitted, the commissioner may select the county agencies to be involved. The county agencies must be selected from the locations described in paragraph (a).

Sec. 29. Minnesota Statutes 1988, section 256D.051, subdivision 6, is amended to read:

Subd. 6. [LOCAL AGENCY OPTIONS USE OF WORK READINESS FUNDS.] The local agency may, at its option, provide up to \$200 for each registrant who has completed an employment development plan for direct expenses incurred by the registrant for transportation, clothes, and tools necessary for employment. After paying direct expenses as needed by individual registrants, the local agency may use any remaining money to provide additional services as needed by any registrant including education, orientation, placement, other work experience, on-the-job training, and other appropriate activities. The county agency shall pay the costs of clothing

and tools needed for training or employment, and transportation and child care costs that are incurred by recipients and that are needed for participation in the work readiness program. After paying these direct participant expenses, the local agency may use available funding to pay the costs of services such as education, training, orientation, placement, work experience, on-the-job training, and other appropriate activities, including operation of the work readiness program.

Sec. 30. Minnesota Statutes 1988, section 256D.051, is amended by adding a subdivision to read:

Subd. 10a. [REIMBURSEMENT OF PROGRAM EXPENDITURES.] The county agency shall be reimbursed for 75 percent of the nonfederal share of actual costs paid to provide a work readiness program under subdivisions 2 and 6. Reimbursement must not exceed on average \$200 for each registrant for whom an employment development plan has been completed.

Sec. 31. Minnesota Statutes 1988, section 256D.051, is amended by adding a subdivision to read:

Subd. 10b. [FEDERAL REIMBURSEMENT.] Federal financial participation from the United States Department of Agriculture for work readiness expenditures that are eligible for reimbursement through the food stamp employment and training program are dedicated funds and shall be used to operate the work readiness program.

Sec. 32. [REPEALER.]

Minnesota Statutes 1988, sections 256D.051, subdivision 6a, and 268.86, subdivision 7, are repealed.

Sec. 33. [EFFECTIVE DATE.]

Sections 12 to 25 and 27 to 32 are effective July 1, 1989. Section 11 is effective October 1, 1990. Section 26 is effective October 1, 1989."

Delete the title and insert:

"A bill for an act relating to human services; authorizing creation of the Minnesota family investment plan; establishing grant projects for refugees; fraud prevention; appropriating money; amending Minnesota Statutes 1988, sections 245.771, subdivision 3; 256.045, subdivision 3; 256.12, subdivision 14; 256.73, subdivision 3a; 256.736, subdivisions 3, 3b, 4, 10, 14, 16, and by adding subdivisions; 256.737; 256.74, subdivisions 1 and 1a; and 256D.051, subdivision 6, and by adding subdivisions; proposing coding for new law in

Minnesota Statutes, chapter 256; repealing Minnesota Statutes 1988, sections 256D.051, subdivision 6a; and 268.86, subdivision 7."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 871, A bill for an act relating to taxation; allowing a special levy to the cities of Windom and Jackson to meet costs of operating municipal hospitals; amending Minnesota Statutes 1988, section 275.50, subdivision 5, and by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Health and Human Services.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 917, A bill for an act relating to taxation; allowing a special levy to Goodhue county for a county historical society; amending Minnesota Statutes 1988, section 275.50, subdivision 5, and by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 925, A bill for an act relating to Hennepin county; permitting appropriations for the arts; proposing coding for new law in Minnesota Statutes, chapter 383B.

Reported the same back with the following amendments:

Page 1, line 20, after "support" insert "nonprofit"

With the recommendation that when so amended the bill pass.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 943, A bill for an act relating to health; requiring post-secondary students to submit a statement of immunization; providing exemptions; amending Minnesota Statutes 1988, sections 120.102, subdivision 1; and 123.70, subdivisions 1, 2, 4, 9, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 135A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 123.70, subdivision 1, is amended to read:

Subdivision 1. Except as provided in subdivisions 3 and 4, no person over two months old may be allowed to enroll or remain enrolled in any elementary or secondary school or day care facility in this state until the person has submitted to the administrator or other person having general control and supervision of the school or day care facility, one of the following statements:

(1) a statement from a physician or a public clinic which provides immunizations stating that the person has received immunization, consistent with medically acceptable standards, against red measles after having attained the age of 12 months, rubella, diphtheria, tetanus, pertussis, polio, and mumps and which indicates the month, day, and year of each immunization received; or

(2) a statement from a physician or a public clinic which provides immunizations stating that the person has received immunizations against red measles after having attained the age of 12 months, rubella, and mumps and that the person has commenced a schedule of immunizations for diphtheria, tetanus, pertussis, and polio and which indicates the month, day, and year of each immunization received.

Sec. 2. Minnesota Statutes 1988, section 123.70, subdivision 2, is amended to read:

Subd. 2. No person who has commenced a treatment schedule of immunization pursuant to subdivision 1, clause (2), may remain enrolled in any day care facility, elementary, or secondary school in

this state after 18 months of enrollment unless there is submitted to the administrator, or other person having general control and supervision of the school or day care facility, a statement from a physician or a public clinic which provides immunizations that the person has completed the primary schedule of immunizations for diphtheria, tetanus, pertussis, and polio and in which the month, day, and year of each additional immunization received is included. For a child less than seven years of age, a primary schedule of immunizations shall consist of four doses of vaccine for diphtheria, tetanus, and pertussis and three doses of vaccine for poliomyelitis. For a child seven years of age or older, a primary schedule of immunizations shall consist of three doses of vaccine for diphtheria, tetanus, pertussis, and polio.

Sec. 3. Minnesota Statutes 1988, section 123.70, subdivision 4, is amended to read:

Subd. 4. A person who is enrolling or enrolled in an elementary or secondary school or day care facility may substitute a statement from the emancipated person or a parent or guardian if the person is a minor child in lieu of the statement from a physician or public clinic which provides immunizations. If the statement is from a parent or guardian or emancipated person, the statement shall indicate the month, day, and year of each immunization given. In order for the statement to be acceptable for a person who is six years of age or younger, enrolling in an elementary school or day care facility, it must indicate that the following was given: no less than one dose of vaccine each for measles, mumps, and rubella given separately or in combination, and no less than four doses of vaccine for poliomyelitis, unless the third dose was given after the fourth birthday, then three doses are minimum, and no less than five doses of vaccine for diphtheria, tetanus, and pertussis, unless the fourth dose was given after the fourth birthday, then four are minimum. In order for the statement to be acceptable for a person who is seven years of age or older, enrolling in an elementary or secondary school, the statement must indicate no less than one dose of vaccine each for measles, mumps, and rubella given separately or in combination, and no less than three doses of vaccine for poliomyelitis, diphtheria, and tetanus. The commissioner of health, on finding that any of the above requirements are not necessary to protect the public's health, may suspend for one year that requirement.

Sec. 4. Minnesota Statutes 1988, section 123.70, subdivision 8, is amended to read:

Subd. 8. The administrator or other person having general control and supervision of the elementary or secondary school shall file a report with the commissioner of education on all children persons enrolled in the school, except that the superintendent of each school district shall file a report with the commissioner of education for all persons within the district receiving instruction in a home school in

compliance with sections 120.101 and 120.102. The parent of persons receiving instruction in a home school shall submit the statements as required by subdivisions 1, 2, and 4 to the superintendent of the school district in which the person resides by October 1 of each school year. The school report shall be prepared on forms developed jointly by the commissioner of health and the commissioner of education and be distributed to the local school districts by the commissioner of health and shall state the number of children persons attending the school, the number of children persons who have not been immunized according to subdivision 1 or 2, and the number of children persons who received an exemption under subdivision 3, clause (c) or (d). The school report shall be filed with the commissioner of education within 60 days of the commencement of each new school term. The commissioner of education shall forward the report, or a copy thereof, to the commissioner of health who shall provide summary reports to boards of health as defined in section 145A.02, subdivision 2. The administrator or other person having general control and supervision of the day care facility shall file a report with the commissioner of human services on all children persons enrolled in the day care facility. The day care facility report must be prepared on forms developed jointly by the commissioner of health and the commissioner of human services and be distributed to day care facilities by the commissioner of health and must state the number of children persons enrolled in the facility, the number of children persons with no immunizations, the number of children persons who received an exemption under subdivision 3, clause (c) or (d), and the number of children persons with partial or full immunization histories. The day care facility report shall be filed with the commissioner of human services by November 1 of each year. The commissioner of human services shall forward the report, or a copy thereof, to the commissioner of health who shall provide summary reports to boards of health as defined in section 145A.02, subdivision 2. The report required by this subdivision is not required of a family day care or group family day care facility.

Sec. 5. Minnesota Statutes 1988, section 123.70, subdivision 9, is amended to read:

Subd. 9. As used in this section the following terms have the meanings given them.

(a) "Elementary or secondary school" includes any public, private, or parochial school as defined in section 120.05, or nonpublic school, church, or religious organization, or home school in which a child is provided instruction in compliance with sections 120.101 and 120.102.

(b) "Person enrolled in any elementary or secondary school" means a person enrolled in grades kindergarten through 12 and a handicapped child receiving special instruction and services as

required in section 120.17, excluding a child being provided services according to section 120.17, subdivision 2, clause (c) or (h).

(c) "Family day care" means day care for no more than ten children at one time of which no more than six are under school age. The licensed capacity must include all children of any caregiver when the children are present in the residence.

(e) (d) "Group family day care" means day care for no more than 14 children at any one time. The total number of children includes all children of any caregiver when the children are present in the residence.

Sec. 6. Minnesota Statutes 1988, section 123.70, is amended by adding a subdivision to read:

Subd. 10. A statement required to be submitted under subdivisions 1, 2, and 4 to document evidence of immunization shall include month, day, and year for immunizations administered after January 1, 1990.

Sec. 7. [135A.14] [STATEMENT OF IMMUNIZATION OF POST-SECONDARY STUDENTS.]

Subdivision 1. [DEFINITIONS.] As used in this section, the following terms have the meanings given them.

(a) "Administrator" means the administrator of the institution or other person with general control and supervision of the institution.

(b) "Public or private post-secondary educational institution" or "institution" means any of the following institutions: (1) the University of Minnesota; (2) the state universities; (3) the state community colleges; (4) private four-year and graduate colleges; and (5) private two-year colleges.

(c) "Student" means a person born after 1956 and who is (1) registering for more than one class during a full academic term, such as a quarter or a semester; or (2) housed on campus and is registering for one or more classes. Student does not include persons enrolled in extension classes only or correspondence classes only.

Subd. 2. [STATEMENT OF IMMUNIZATION REQUIRED.] Ex-cept as provided in subdivision 3, no student may remain enrolled in a public or private post-secondary educational institution unless the student has submitted to the administrator a statement that the student has received appropriate immunization against measles, rubella, and mumps after having attained the age of 12 months, and against diphtheria and tetanus within ten years of first registration

at the institution. This statement must indicate the month and year of each immunization given.

Subd. 3. [EXEMPTIONS FROM IMMUNIZATION.] (a) An immunization listed in subdivision 2 is not required if the student submits to the administrator a statement signed by a physician that shows:

(1) that, for medical reasons, the student did not receive an immunization;

(2) that the student has experienced the natural disease against which the immunization protects; or

(3) that a laboratory has confirmed the presence of adequate immunity.

(b) If the student submits a notarized statement that the student has not been immunized as required in subdivision 2 because of the student's conscientiously held beliefs, the immunizations described in subdivision 2 are not required. The institution shall forward this statement to the commissioner of health.

Subd. 4. [IMMUNIZATION FILES REQUIRED.] The institution must maintain an immunization record within the student's file for all students governed by this section. The records may be inspected by the department of health and the local board of health in whose jurisdiction the institution is located.

Subd. 5. [DEADLINE FOR SUBMITTING STATEMENT.] The institution shall require that the statement from the student, as required within subdivision 2 or 3, be submitted within 45 days of commencement of the academic term for which the student has registered.

#### Sec. 8. [EFFECTIVE DATE.]

Sections 1 to 4 are effective July 1, 1989. Sections 5 and 7 are effective July 1, 1990. Section 6 is effective January 1, 1990."

Delete the title and insert:

"A bill for an act relating to health; requiring post-secondary students to submit a statement of immunization; providing exemptions; amending Minnesota Statutes 1988, section 123.70, subdivisions 1, 2, 4, 8, 9, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 135A."

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 1117, A bill for an act relating to occupations and professions; regulating the practice of accountancy; creating standards of care; amending Minnesota Statutes 1988, sections 326.165; 326.20, subdivision 1; 326.211, subdivision 6; and 326.212, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 326.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Skoglund from the Committee on Insurance to which was referred:

H. F. No. 1194, A bill for an act relating to insurance; requiring obligors to issue an insurance identification card; requiring a driver or owner to produce an insurance identification card, policy, or written statement; providing for administrative review; exempting certain vehicles; providing for the impoundment of registration plates; providing for a limited license in certain circumstances; defining terms; providing penalties; amending Minnesota Statutes 1988, sections 65B.67, subdivisions 2 and 4; 168.041, subdivisions 4, 4a, and by adding a subdivision; 169.09, subdivision 14; 171.29, subdivision 1; and 171.30, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 65B and 169; repealing Minnesota Statutes 1988, section 65B.481.

Reported the same back with the following amendments:

Page 1, line 21, delete "14" and insert "15"

Page 7, line 7, before the period insert ", and such service by mail is valid notwithstanding section 629.34"

Page 7, line 10, delete "reasonably should have known" and insert "had reason to know"

Page 7, line 34, after the period insert "It is not a defense that a person failed to file a change of address with the post office or failed to notify the department of public safety of a change of name or address as required under section 171.11."

Page 8, lines 35 and 36, delete "reasonably should have known" and insert "had reason to know"

Page 9, line 16, after the period insert "It is not a defense that a

person failed to file a change of address with the post office or failed to notify the department of public safety of a change of name or address as required under section 171.11."

Page 9, line 17, delete "At the time" and insert "When"

Page 9, line 18, before the comma insert "and none is in possession"

Page 12, line 10, after "(1)" insert "to issue."

Page 12, line 19, after "knowing" insert "or having reason to know"

Page 12, line 27, delete "15" and insert "16"

Page 12, after line 27, insert:

"Sec. 14. [169.796] [VERIFICATION OF INSURANCE COVERAGE.]

An insurance company shall release information to the department of public safety or the law enforcement authorities necessary to the verification of insurance coverage and information."

Renumber the sections in sequence

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Wynia from the Committee on Rules and Legislative Administration to which was referred:

S. F. No. 25, A bill for an act relating to the legislature; correcting inaccurate references to senate committees; removing an obsolete reference to senate and house committees; amending Minnesota Statutes 1988, sections 97A.045, subdivision 8; 97A.065, subdivision 3; 116E.035; and 480.256.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

S. F. No. 227, A bill for an act relating to health; enacting the uniform determination of death act; proposing coding for new law in Minnesota Statutes, chapter 145.

Reported the same back with the following amendments:

Page 1, lines 9 and 10, delete "An individual is dead if the individual sustains" and insert "No one shall be declared dead unless there is"

Page 1, line 14, after "with" insert "generally"

With the recommendation that when so amended the bill pass.

The report was adopted.

Wynia from the Committee on Rules and Legislative Administration to which was referred:

S. F. No. 686, A resolution memorializing the President and Congress to condemn the government of Iran because of its action against Salman Rushdie and to refuse efforts to return frozen Iranian assets to Iran.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Wynia from the Committee on Rules and Legislative Administration to which was referred:

House Resolution No. 4, A house resolution proclaiming September 14-16, 1989, as Korea: An American Remembrance in the State of Minnesota.

Reported the same back with the recommendation that the resolution be adopted.

The report was adopted.

**SECOND READING OF HOUSE BILLS**

H. F. Nos. 436, 603, 707, 774, 804, 827, 925 and 943 were read for the second time.

**SECOND READING OF SENATE BILLS**

S. F. Nos. 25, 227 and 686 were read for the second time.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

Neuenschwander; Carlson, D.; Begich; Pugh and Miller introduced:

H. F. No. 1266, A bill for an act proposing an amendment to the Minnesota Constitution, article I; adding a section to provide that the right to keep and bear arms shall not be abridged; appropriating money.

The bill was read for the first time and referred to the Committee on Judiciary.

Quinn, Jacobs, Weaver and Simoneau introduced:

H. F. No. 1267, A bill for an act relating to Anoka county; permitting the appointment of the auditor, recorder, and treasurer; authorizing the reorganization of county offices.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Janezich, Vanasek, Quinn, Gutknecht and Battaglia introduced:

H. F. No. 1268, A bill for an act relating to education; allowing alternative postseason extracurricular competition; proposing coding for new law in Minnesota Statutes, chapter 129.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Kinkel introduced:

H. F. No. 1269, A bill for an act relating to water use; requiring the city of Minneapolis to develop alternative water supplies.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Munger and Jaros introduced:

H. F. No. 1270, A bill for an act relating to capital improvements; appropriating money for the Lake Superior Zoological Gardens; providing for the issuance of state building bonds.

The bill was read for the first time and referred to the Committee on Appropriations.

Kelso; Nelson, C.; Dauner; Simoneau and Ozment introduced:

H. F. No. 1271, A bill for an act relating to occupations and professions; providing that psychologists licensed by the board of psychology and competent in the area may practice marriage and family therapy and present themselves to the public as marriage and family therapists without being licensed by the board of marriage and family therapy examiners; amending Minnesota Statutes 1988, section 148B.32, subdivisions 1 and 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

McLaughlin introduced:

H. F. No. 1272, A bill for an act relating to human services; expanding the work readiness program; removing time limits on work readiness assistance; requiring participation in work readiness activities as a condition of receiving assistance; establishing notice and appeal requirements; establishing residency requirements; amending Minnesota Statutes 1988, sections 256D.01, subdivisions 1, 1a, 1b, and 1c; 256D.02, subdivisions 1, 4, and by adding a subdivision; 256D.03, subdivision 2; 256D.05, subdivision 1, and by adding a subdivision; 256D.051, subdivisions 1, 2, 3, 6, 8, 13, and by adding subdivisions; 256D.052, subdivisions 1, 2, 3, and 4; 256D.101; 2456D.111, subdivision 5; and 256G.03, subdivision 1; repealing Minnesota Statutes 1988, section 256D.052, subdivisions 5, 6, and 7.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Ozment introduced:

H. F. No. 1273, A bill for an act relating to state historic sites; authorizing sale of state bonds; appropriating money for the William G. LeDuc House.

The bill was read for the first time and referred to the Committee on Appropriations.

Anderson, G.; Vanasek; Rice; Johnson, V., and Simoneau introduced:

H. F. No. 1274, A bill for an act relating to agriculture; transferring the Minnesota trade office from the department of trade and economic development to the department of agriculture; amending Minnesota Statutes 1988, sections 17.03, subdivision 8; 17.101, subdivision 1, and by adding a subdivision; repealing Minnesota Statutes 1988, section 116J.967.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Milbert introduced:

H. F. No. 1275, A bill for an act relating to the city of Inver Grove Heights; permitting the city to impose a fee on waste facilities.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Clark introduced:

H. F. No. 1276, A bill for an act relating to human services; requiring proposals for decreasing the size of intermediate care facilities for persons with mental retardation; proposing coding for new law in Minnesota Statutes, chapter 252.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Blatz introduced:

H. F. No. 1277, A bill for an act relating to commerce; prohibiting car rental companies from holding renters liable for damages, except under certain circumstances; proposing coding for new law in Minnesota Statutes, chapter 325E.

The bill was read for the first time and referred to the Committee on Commerce.

Carruthers, Skoglund, Pappas and Pugh introduced:

H. F. No. 1278, A bill for an act relating to insurance; accident and health; requiring coverage for the diagnosis and treatment of infertility to the same extent as covered pregnancy-related benefits; proposing coding for new law in Minnesota Statutes, chapter 62A.

The bill was read for the first time and referred to the Committee on Insurance.

Seaberg, Kelly, Macklin and Morrison introduced:

H. F. No. 1279, A bill for an act relating to criminal procedure; proposing an amendment to the Minnesota Constitution, article I, section 7, to eliminate the right to cash bail; authorizing the pretrial detention of criminal defendants under certain circumstances; providing procedures governing pretrial and postconviction release and detention decisions; providing for appellate review of release and detention orders; imposing penalties for failure to appear in court as required and for commission of a crime while on release; amending Minnesota Statutes 1988, sections 589.16; 629.53; 629.63; and 629.72, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 609; proposing coding for new law as Minnesota Statutes, chapter 629A; repealing Minnesota Statutes 1988, sections 609.49; 629.44; 629.45; 629.47; 629.48; 629.49; 629.54; 629.55; 629.58; 629.59; 629.60; 629.61; 629.62; and 629.64.

The bill was read for the first time and referred to the Committee on Judiciary.

Lieder, Kalis, Seaberg and Anderson, G., introduced:

H. F. No. 1280, A bill for an act relating to motor vehicles; providing for suspension of apportioned license plates and fuel tax compact licenses for certain interstate vehicle fleet owners who are delinquent in required filings or payments; providing for installment payments by interstate fleet owners; amending Minnesota Statutes 1988, sections 168.187, by adding a subdivision; and 168.31, subdivision 4, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

Redalen; Carlson, D.; Ogren and Johnson, V., introduced:

H. F. No. 1281, A bill for an act relating to public lands; conditions for acceptance of transfers from the federal government; proposing coding for new law in Minnesota Statutes, chapter 84.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Orenstein introduced:

H. F. No. 1282, A bill for an act relating to mechanics' liens; clarifying and simplifying the contractors' and subcontractors' notice; amending Minnesota Statutes 1988, section 514.011, subdivisions 1 and 2.

The bill was read for the first time and referred to the Committee on Commerce.

Winter, Skoglund, Quinn and Peterson introduced:

H. F. No. 1283, A bill for an act relating to insurance; property and casualty; regulating policy provisions, forms, nonrenewals, coverages; regulating trade practices in these and other lines; regulating the Minnesota joint underwriting association; making certain technical changes; amending Minnesota Statutes 1988, sections 60A.02, by adding a subdivision; 60A.06, by adding a subdivision; 60A.08, by adding a subdivision; 60A.198, subdivision 3; 62I.02, subdivision 2; 62I.16, subdivision 3; 65A.29, subdivision 8, and by adding subdivisions; 65A.33, subdivision 3; 65B.15, subdivision 1; 65B.44, subdivision 3; 65B.47, subdivision 1; 65B.525, subdivision 1; 72A.20, subdivision 17, and by adding subdivisions; 72A.201, subdivision 5, and by adding subdivisions; and 79.251, by adding a subdivision; repealing Minnesota Rules, part 2780.2700.

The bill was read for the first time and referred to the Committee on Insurance.

Wenzel; Dorn; Nelson, C.; Brown and Lieder introduced:

H. F. No. 1284, A bill for an act relating to taxation; sales and use; repealing accelerated payment of June liability; amending Minnesota Statutes 1988, section 297A.27, subdivision 1; repealing Minnesota Statutes 1988, section 297A.275.

The bill was read for the first time and referred to the Committee on Taxes.

Skoglund; Wynia; Greenfield; Anderson, G., and Hartle introduced:

H. F. No. 1285, A bill for an act relating to insurance; the Minnesota comprehensive health insurance plan; requiring reasonable cost controls that do not impair the quality or amount of services provided; requiring that the association develop new methods to enlist the participation of the enrollee in the control of health care costs; requiring the writing carrier to be liable for the direct and indirect expenses of administration; making technical changes; amending Minnesota Statutes 1988, sections 62D.181, subdivisions 4 and 8; 62E.02, subdivision 18; 62E.08, by adding a subdivision; 62E.09; 62E.10, subdivisions 1, 2, 3, 7, and 9; 62E.11, subdivisions 3, 4, 9, and 10; 62E.12; 62E.13, subdivisions 2, 3, and 5; and 62E.16; repealing Minnesota Statutes 1988, sections 62E.02, subdivisions 21, 22, and 23; 62E.035; 62E.08, subdivisions 1 and 2; 62E.11, subdivisions 5, 6, and 7; and 62E.13, subdivision 7.

The bill was read for the first time and referred to the Committee on Insurance.

Skoglund introduced:

H. F. No. 1286, A bill for an act relating to insurance; requiring coverage for child health supervision and prenatal services; clarifying certain definitions; amending Minnesota Statutes 1988, section 62A.047.

The bill was read for the first time and referred to the Committee on Insurance.

Scheid, Sarna, Bennett, O'Connor and Peterson introduced:

H. F. No. 1287, A bill for an act relating to commerce; securities; exempting nonissuer sales of securities issued by the state, its subdivisions, or instrumentalities from regulation; amending Minnesota Statutes 1988, section 80A.15, subdivision 2.

The bill was read for the first time and referred to the Committee on Commerce.

Wynia, Vanasek and Schreiber introduced:

H. F. No. 1288, A bill for an act relating to state buildings; establishing a state policy of barrier-free environments for state owned and leased buildings; appropriating money.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Lasley, Kalis, Kahn, Simoneau and Knickerbocker introduced:

H. F. No. 1289, A bill for an act relating to forestry; directing a study and report on urban reforestation; appropriating money.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Scheid, Sarna, Bennett, O'Connor and Peterson introduced:

H. F. No. 1290, A bill for an act relating to commerce; providing for the regulation of real estate closing agents; prescribing penalties; appropriating money; amending Minnesota Statutes 1988, sections 82.17, subdivisions 7, 9, and 10; 82.18; 82.19, subdivisions 1, 2, 3, and 4; 82.20, subdivisions 1, 2, 3, 4, 5, 8, and 12; 82.21, subdivision 1; 82.22, subdivisions 1, 5, 6, 10, and 11; 82.23, subdivisions 2 and 3; 82.24, subdivisions 1, 2, 3, 4, 5, 6, and 7; 82.27, subdivisions 1 and 2; 82.30, subdivision 1; 82.31, subdivision 1; 82.33, subdivision 1; 82.34, subdivisions 3, 4, 6, 7, 13, and 14; and 609.52, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes 1988, section 82.34, subdivision 12.

The bill was read for the first time and referred to the Committee on Commerce.

Wynia; Olsen, S.; Knickerbocker; Skoglund and Blatz introduced:

H. F. No. 1291, A bill for an act relating to insurance; accident and health; regulating coverage for dental procedures; amending Minnesota Statutes 1988, section 62A.043, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Insurance.

Solberg, Bennett, Kelly, Sarna and Milbert introduced:

H. F. No. 1292, A bill for an act relating to commerce; motor fuel franchises; regulating franchise agreements; providing remedies; proposing coding for new law in Minnesota Statutes, chapter 80C.

The bill was read for the first time and referred to the Committee on Commerce.

Nelson, K.; Wynia; Rest; Hartle and McEachern introduced:

H. F. No. 1293, A bill for an act relating to education; establishing powers and duties of the Minnesota Academic Excellence Foundation; appropriating money; amending Minnesota Statutes 1988, section 121.612; repealing Laws 1988, chapter 718, article 5, section 4.

The bill was read for the first time and referred to the Committee on Education.

Scheid, McEachern, Bauerly, Pelowski and Weaver introduced:

H. F. No. 1294, A bill for an act relating to education; equalizing a portion of the referendum levy; proposing coding for new law in Minnesota Statutes, chapter 124A.

The bill was read for the first time and referred to the Committee on Education.

Neuenschwander, Otis, Battaglia and Boo introduced:

H. F. No. 1295, A bill for an act relating to economic development; establishing a cold weather resource center at International Falls; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 116Q.

The bill was read for the first time and referred to the Committee on Economic Development.

Dauner, Williams, Bishop and Gutknecht introduced:

H. F. No. 1296, A bill for an act relating to occupations and professions; changing licensure requirements for dental assistants; changing the procedure for setting the salary of the director of the board of dentistry; amending Minnesota Statutes 1988, sections 150A.06, subdivision 2a; and 214.04, subdivision 3; repealing Minnesota Statutes 1988, section 150A.06, subdivision 7.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Clark, Kahn, Weaver, Dorn and Johnson, R., introduced:

H. F. No. 1297, A bill for an act relating to employment; providing for demonstration grants for the youth employment and housing for homeless program; appropriating money; amending Minnesota

Statutes 1988, section 268.361, subdivision 4, and by adding a subdivision; 268.362; 268.364; 268.365; 268.366; and 268.367.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Marsh, Wenzel, Steensma and Omann introduced:

H. F. No. 1298, A bill for an act relating to health; prohibiting abortions when states are given authority to regulate abortions by the United States Supreme Court, United States Congress, or by constitutional amendment; providing penalties; proposing coding for new law in Minnesota Statutes, chapter 145; repealing Minnesota Statutes 1988, sections 145.411; 145.412; 145.413; 145.414; 145.415; and 145.416.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Bishop; Brown; Anderson, G.; Orenstein and Forsythe introduced:

H. F. No. 1299, A bill for an act relating to drivers' licenses; providing for living will designation on driver's license; amending Minnesota Statutes 1988, sections 171.06, subdivision 3; and 171.07, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

Himle and Blatz introduced:

H. F. No. 1300, A bill for an act relating to education; allowing school districts to use certain community education levies to purchase capital equipment; amending Minnesota Statutes 1988, section 275.125, subdivision 8.

The bill was read for the first time and referred to the Committee on Education.

Olsen, S.; McGuire; Forsythe; Scheid and Stanius introduced:

H. F. No. 1301, A bill for an act relating to taxation; clarifying golf course membership requirements for open space property tax treatment; amending Minnesota Statutes 1988, section 273.112, subdivision 3.

The bill was read for the first time and referred to the Committee on Taxes.

Simoneau; Reding; Knickerbocker; Johnson, R., and O'Connor introduced:

H. F. No. 1302, A bill for an act relating to retirement; governmental employees in general; establishing a normal retirement age of 65 years; changing contribution rates; lowering minimum service periods required for annuities and disability benefits; applying a uniform percentage to all years of service; adopting a rule of 90; altering reductions for early retirement; increasing rates of interest on refunds; increasing interest assumptions; extending the date for full funding; granting authority for certain bylaw amendments; amending Minnesota Statutes 1988, sections 352.01, subdivision 19, and by adding a subdivision; 352.04, subdivisions 2 and 3; 352.113, subdivisions 1 and 12; 352.115, subdivisions 1, 2, and 3; 352.116; 352.12, subdivisions 1, 2, and 6; 352.22, subdivisions 2 and 3; 352.72, subdivisions 1, 2, and 5; 352.85, subdivision 1; 352.93, subdivisions 1 and 3; 352.95, subdivisions 2 and 5; 352B.01, subdivision 11; 352B.08, subdivision 1; 352B.11, subdivisions 1 and 2; 352B.30, subdivision 1; 353.01, by adding a subdivision; 353.27, subdivision 2; 353.29, subdivisions 1, 2, and 3; 353.30; 353.32, subdivisions 1 and 1a; 353.33, subdivisions 1, 3, and 11; 353.34, subdivisions 2, 3, and 3a; 353.651, subdivisions 1 and 2; 353.657, subdivision 2a; 353.71, subdivisions 1, 2, and 5; 353C.06, subdivisions 1, 2, and 4; 353C.08, subdivision 5; 354.05, by adding a subdivision; 354.35; 354.41, subdivision 3; 354.42, subdivisions 2 and 3; 354.44, subdivisions 1, 1a, 6, and 7; 354.45, subdivision 1, and by adding a subdivision; 354.46, subdivision 2; 354.47, subdivision 1; 354.48; subdivisions 1, 3, and 10; 354.49, subdivisions 2 and 3; 354.55, subdivision 11; 354.60; 354A.011, subdivision 20, and by adding a subdivision; 354A.12, subdivisions 1 and 2; 354A.21; 354A.31, subdivisions 1, 4, 5, 6, and by adding a subdivision; 354A.32, subdivision 1, and by adding a subdivision; 354A.35, subdivisions 1 and 2; 354A.36, subdivisions 1, 3, and 10; 354A.37, subdivisions 2, 3, and 4; 354A.39; 356.215, subdivisions 4d and 4g; 356.30, subdivision 1; and 356.32, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 356; repealing Minnesota Statutes 1988, section 354A.32, subdivision 2.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Wagenius; Johnson, A.; Ostrom; Pelowski and Dorn introduced:

H. F. No. 1303, A bill for an act relating to administrative procedure; clarifying the applicability of the requirement that

agencies consider the impact of proposed rules on small business; amending Minnesota Statutes 1988, section 14.115, subdivision 7.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Haukoos introduced:

H. F. No. 1304, A bill for an act relating to retirement; Albert Lea police pensions and disability benefits.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Uphus and Bertram introduced:

H. F. No. 1305, A bill for an act relating to taxation; property; providing a special levy for city libraries; amending Minnesota Statutes 1988, section 275.50, subdivision 5.

The bill was read for the first time and referred to the Committee on Taxes.

Burger, Kinkel, McEachern, Olsen, S., and Bauerly introduced:

H. F. No. 1306, A bill for an act relating to education; permitting one levy referendum each year by a school board; requiring special school district canvassing boards in certain elections; amending Minnesota Statutes 1988, sections 124A.03, subdivision 2; and 205A.10, subdivision 3, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 204C.

The bill was read for the first time and referred to the Committee on Education.

Reding introduced:

H. F. No. 1307, A bill for an act relating to economic development; clarifying the responsibilities of the science and technology office; appropriating money; amending Minnesota Statutes 1988, sections 116J.970; and 116J.971, subdivisions 4, 6, 7, 8, and 9.

The bill was read for the first time and referred to the Committee on Economic Development.

O'Connor, Rukavina, Knickerbocker, Runbeck and Simoneau introduced:

H. F. No. 1308, A bill for an act relating to state government; extending the expiration date on certain advisory councils; amending Minnesota Statutes 1988, section 15.059, subdivision 5; repealing Minnesota Statutes 1988, section 84B.11, subdivision 4.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Dorn, Pelowski, Heap, Williams and Johnson, R., introduced:

H. F. No. 1309, A bill for an act relating to education; vocational; clarifying powers and duties of the state board and state director of vocational technical education; making technical corrections; amending Minnesota Statutes 1988, sections 136C.04, subdivisions 1, 2, 6, 9, 10, 18, and by adding subdivisions; 136C.042, subdivision 2; 136C.05, by adding subdivisions; 136C.07, subdivision 4; 136C.08, subdivision 1; 136C.42, subdivision 1; 136C.43, subdivision 1; 169.44, subdivision 18; 275.125, subdivision 14a; 354.094, subdivisions 1a and 1b; 354A.091, subdivision 1a; and 355.46, subdivision 3; repealing Minnesota Statutes 1988, sections 121.936, subdivision 1a; 136C.21; 136C.211; 136C.212; 136C.213; 136C.22; 136C.221; 136C.222; 136C.223; 136C.25; 136C.26, subdivisions 1, 3, 4, 5, 6, and 7; 136C.27, subdivision 2; 136C.28, subdivisions 1 and 2; 136C.29, subdivisions 3, 4, and 5; and 136C.33, subdivisions 1 and 2.

The bill was read for the first time and referred to the Committee on Education.

Solberg, Neuenschwander and Carlson, D., introduced:

H. F. No. 1310, A bill for an act relating to natural resources; establishing a prescribed burn program; requiring permits for prescribed burns; providing assistance for prescribed burns; establishing the position of prescribed burn coordinator; appropriating money; amending Minnesota Statutes 1988, section 84.97.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Jefferson, Greenfield, Pauly, McLaughlin and Bishop introduced:

H. F. No. 1311, A bill for an act relating to state employees; providing a policy prohibiting racial harassment; requiring discipline for employees who engage in racial harassment; amending Minnesota Statutes 1988, section 43A.01, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Jennings, Osthoff and Carlson, D., introduced:

H. F. No. 1312, A bill for an act relating to transportation; transferring motor carrier regulatory responsibilities from department of transportation to department of public safety; making technical corrections; amending Minnesota Statutes 1988, sections 13.69, by adding subdivisions; 168.82, subdivision 1; 169.04; 169.073; 169.09, subdivision 13; 169.80, subdivision 1; 169.81, subdivisions 1, 2, and 3; 169.825, subdivision 11; 169.833, subdivision 3; 169.86; 169.862; 174A.02, subdivision 2; 216.13; 216A.08; 221.011, subdivisions 2 and 2a; 221.221, subdivision 2; 221.65; 296.17, subdivision 20; proposing coding for new law in Minnesota Statutes, chapter 299A; repealing Minnesota Statutes 1988, section 13.72, subdivisions 4 and 5.

The bill was read for the first time and referred to the Committee on Transportation.

Jennings introduced:

H. F. No. 1313, A bill for an act relating to local government; providing procedures for the conduct of certain detachments and annexations; amending Minnesota Statutes 1988, section 414.061, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 414.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Olson, K.; Pelowski; Ozment; McEachern and Olson, E., introduced:

H. F. No. 1314, A bill for an act relating to education; requiring post-secondary institutions to provide periodic reports under the post-secondary enrollment options act; requiring counseling prior to enrollment in a post-secondary course or program; restricting participation; requiring reimbursement for certain courses; amending Minnesota Statutes 1988, section 123.3514, subdivisions 4, 4a, 4c, and 5.

The bill was read for the first time and referred to the Committee on Education.

Wynia; Orenstein; Carlson, L.; Bishop and Greenfield introduced:

H. F. No. 1315, A bill for an act relating to education; appropriating money for a cancer research center at the University of Minnesota.

The bill was read for the first time and referred to the Committee on Education.

Cooper, Brown, Kalis, Wenzel and Dille introduced:

H. F. No. 1316, A bill for an act relating to agriculture; developing a portable computerized system adapting fertilization rates to soil characteristics; appropriating money.

The bill was read for the first time and referred to the Committee on Agriculture.

Reding; Johnson, R.; Williams; Hasskamp and Dorn introduced:

H. F. No. 1317, A bill for an act relating to retirement; state university and community college faculty; authorizing collective bargaining for matching employer contributions to the supplemental retirement plan instead of the Minnesota deferred compensation plan; amending Minnesota Statutes 1988, sections 136.80, subdivision 1; 136.81, subdivision 1; and 356.24.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Reding, Dorn, Williams, Hasskamp and Johnson, R., introduced:

H. F. No. 1318, A bill for an act relating to retirement; individual retirement account plan; providing that members of the plan are members of the teachers retirement association for purposes of social security coverage; changing the effective date of the plan; amending Minnesota Statutes 1988, sections 354.05, subdivisions 2a and 5; 354.66, subdivision 2; 354B.02; 354B.04, subdivision 2; and 354B.05, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 354B.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Marsh introduced:

H. F. No. 1319, A bill for an act relating to claims; appropriating money for payment of a certain World War II veteran's bonus claim.

The bill was read for the first time and referred to the Committee on Appropriations.

Price; McEachern; Carlson, L.; Dorn and Wynia introduced:

H. F. No. 1320, A bill for an act relating to education; establishing a staff exchange program.

The bill was read for the first time and referred to the Committee on Education.

Battaglia, Ogren, Tunheim and Anderson, R., introduced:

H. F. No. 1321, A bill for an act relating to Cook county; permitting establishment of a county hospital district; authorizing the district's levy.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Battaglia, Ogren, Tunheim and Anderson, R., introduced:

H. F. No. 1322, A bill for an act relating to Cook county; authorizing the county to appropriate money for county hospitals.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Carlson, L.; Sparby; Morrison; Rodosovich and Olsen, S., introduced:

H. F. No. 1323, A bill for an act relating to financial institutions; industrial loan and thrifts; regulating capital stock and surplus requirements; regulating the publication of application notices; imposing a residency requirement on directors of certain companies; imposing special dividend conditions for deposit companies; amending Minnesota Statutes 1988, sections 53.015; 53.02; 53.03, subdivisions 1 and 5; 53.05; 53.06; 53.08; and 53.09, subdivision 3.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

O'Connor; Johnson, R.; Simoneau; Knickerbocker and Reding introduced:

H. F. No. 1324, A bill for an act relating to retirement; Minnesota state retirement system; administrative and operational changes in the governing law; establishing an appeal procedure; amending Minnesota Statutes 1988, sections 352.01, subdivision 11; 352.021, subdivision 5; 352.03, subdivision 11; 352.116, subdivision 3; 352.22, subdivisions 1 and 2a; 352.93, subdivision 3; 352B.08, subdivision 3; 352B.10, subdivision 5; 352B.11, subdivision 2; 352D.06, subdivision 1; and 352D.075, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 352; repealing Minnesota Statutes 1988, sections 352.03, subdivision 13; and 352.73, subdivision 3.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Nelson, K.; Hartle; Johnson, A.; Begich and Orenstein introduced:

H. F. No. 1325, A bill for an act relating to education; providing aid for certain international baccalaureate program costs; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 124.

The bill was read for the first time and referred to the Committee on Education.

Bertram introduced:

H. F. No. 1326, A bill for an act relating to highways; providing for paving of road in town of Clearwater.

The bill was read for the first time and referred to the Committee on Transportation.

Williams, Reding and Skoglund introduced:

H. F. No. 1327, A bill for an act relating to insurance; accident and health; clarifying certification of nurses in advanced nursing practice for purposes of payment of insurance benefits; amending Minnesota Statutes 1988, section 62A.15, subdivision 3a.

The bill was read for the first time and referred to the Committee on Insurance.

Reding introduced:

H. F. No. 1328, A bill for an act relating to water; mandating requirements on certain development; proposing coding for new law in Minnesota Statutes, chapter 110B.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Murphy, Lasley, Poppenhagen, Neuenschwander and Marsh introduced:

H. F. No. 1329, A bill for an act relating to rural economic development; repealing the requirement for specific labels on fuel pumps that dispense gasoline-alcohol blends; repealing Minnesota Statutes 1988, section 239.79, subdivision 2.

The bill was read for the first time and referred to the Committee on Economic Development.

Krueger, Wenzel, Redalen, Uphus and Bertram introduced:

H. F. No. 1330, A bill for an act relating to agriculture; changing the dairy industry checkoff rate; amending Minnesota Statutes 1988, section 17.59, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Agriculture.

Otis, Simoneau, Begich and Clark introduced:

H. F. No. 1331, A bill for an act relating to employment; creating a program to develop expertise and provide assistance to those wishing to establish employee owned businesses; establishing a loan guaranty and bonding program to aid the establishment of employee owned businesses; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 268A.

The bill was read for the first time and referred to the Committee on Economic Development.

Carlson, L.; McEachern; Price; Olson, K., and Heap introduced:

H. F. No. 1332, A bill for an act relating to state government; authorizing the Minnesota Educational Computing Corporation to sell or offer for sale all or substantially all of the assets or any of the ownership of the Minnesota Educational Computing Corporation;

clarifying disposition of assets upon dissolution; amending Minnesota Statutes 1988, sections 119.04, subdivision 2, and by adding subdivisions; and 119.09.

The bill was read for the first time and referred to the Committee on Education.

Rukavina, Simoneau, Redalen, Reding and Carlson, D., introduced:

H. F. No. 1333, A bill for an act relating to state government; regulating the location of state agencies; amending Minnesota Statutes 1988, sections 16B.24, by adding subdivisions; 43A.01, by adding a subdivision; and 43A.15, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Kostohryz introduced:

H. F. No. 1334, A bill for an act relating to traffic regulations; requiring prominent signs at points on interstate highways where speed limit is reduced from 65 miles per hour to 55 miles per hour; repealing provisions relating to recording of certain speed violations; amending Minnesota Statutes 1988, section 169.14, by adding a subdivision; repealing Minnesota Statutes 1988, sections 169.99, subdivision 1b; and 171.12, subdivision 6.

The bill was read for the first time and referred to the Committee on Transportation.

Valento, Schreiber and Rest introduced:

H. F. No. 1335, A bill for an act relating to tax increment financing; adjusting levy limits for certain tax increment revenues; imposing restrictions on the expenditure and collection of tax increments; amending Minnesota Statutes 1988, sections 275.51, subdivision 3f, and by adding a subdivision; 469.174, subdivision 10, and by adding a subdivision; 469.175, subdivision 3; 469.176, subdivisions 1, 3, 4c, 6, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 469.

The bill was read for the first time and referred to the Committee on Taxes.

Wynia; Anderson, G.; Kalis; Lieder and Boo introduced:

H. F. No. 1336, A bill for an act relating to metropolitan airport planning; requiring various actions, plans, and reports by the metropolitan council and the metropolitan airports commission; establishing a state advisory council on metropolitan airport planning; proposing coding for new law in Minnesota Statutes, chapter 473.

The bill was read for the first time and referred to the Committee on Transportation.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 148, A bill for an act relating to local government; permitting the counties of Washington and Anoka to establish certain payment procedures.

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. 214, A bill for an act relating to taxation; making technical corrections and clarifications to individual income and corporate franchise taxes; updating references to the Internal Revenue Code; imposing a tax and providing for withholding of certain payments to nonresidents; requiring surety payment by out-of-state contractors; amending Minnesota Statutes 1988, sections 290.01, subdivisions 4, 7, 19, 19a, 19b, 19c, 19d, 19e, and 19f; 290.06, subdivision 22; 290.067, subdivision 1; 290.0802, subdivisions 1 and 2; 290.095, subdivision 9; 290.17, subdivisions 1 and 2; 290.311, subdivision 1; 290.92, by adding subdivisions; and 291.005, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 290; repealing Minnesota Statutes 1988, section 290.01, subdivision 6a.

PATRICK E. FLAHAVEN, Secretary of the Senate

Long moved that the House refuse to concur in the Senate amendments to H. F. No. 214, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to Senate File No. 156:

S. F. No. 156, A bill for an act relating to gambling; authorizing the governor to negotiate a tribal-state compact pursuant to the Indian gaming regulatory act; proposing coding for new law in Minnesota Statutes, chapter 3.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Mrs. Lantry; Messrs. Peterson, R. W., and Knaak,

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Kostohryz moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 156. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 671.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 671, A bill for an act relating to the commission on uniform state laws; providing for its composition; amending Minnesota Statutes 1988, section 3.251.

The bill was read for the first time and referred to the Committee on Governmental Operations.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 214:

Welle, Long and Schreiber.

REPORT FROM THE COMMITTEE ON RULES AND  
LEGISLATIVE ADMINISTRATION

Wynia, for the Committee on Rules and Legislative Administration, offered the following report and moved its adoption:

*Resolved* that the Permanent Rules of the House of Representatives for the 76th Session be amended to read as follows:

(1) Rule 1.16 is amended to read:

"1.16 TIME LIMIT FOR CONSIDERATION OF BILLS. If 20 legislative days after a bill has been referred to committee or division (other than a bill in Appropriations) no report has been made upon it by the committee or division, its chief author may request that it be returned to the House and the request shall be entered in the Journal for the day. The committee or division shall have ten calendar days thereafter in which to vote upon the bill requested. If the Committee or division fails to vote upon it within the ten days, the chief author may, at any time within five calendar days thereafter, present a written demand to the Speaker for its immediate return to the House. The demand shall be entered in the Journal for that day and shall constitute the demand of the House. The bill shall then be considered to be in the possession of the House, given its second reading and placed at the end of General Orders.

Such bill is subject to re-reference by a majority vote of the whole House. If the motion to re-refer is made on the day of the demand or within one legislative day thereafter, the motion shall take precedence over all other motions except privileged motions and shall be in order at any time.

After ..... Friday, May 12, 1989, the House shall not act on bills other than those recommended by conference committee reports or the Committee on Rules and Legislative Administration, and those bills contained in messages from the Senate or from the Governor."

(2) Rule 3.4 is amended to read:

"3.4 MOTION FOR RECONSIDERATION. When a question has been decided either in the affirmative or negative, it shall be in order for any member who voted with the prevailing side to move its reconsideration, provided that such motion is made either on the same day the vote was taken or within the following two days of actual session of the House. A motion for reconsideration can be made at any time in the Order of Business and shall take precedence over all other questions except the motion to adjourn and the notice of intention to move reconsideration. Such motion or notice shall not be in order if the document, bill, resolution, message, report or other official action on which the vote was taken shall have left the possession of the House.

When a member gives notice of intention to move reconsideration of the final action of the House on any bill, resolution, message, report or other official action, the Chief Clerk shall retain the same until after the matter is disposed of or the time has expired during which the motion for reconsideration can be made.

On the last day allowed for the motion to reconsider, it shall be in order for any member who voted on the prevailing side to make the motion, unless the matter has been already disposed of.

A motion for reconsideration having been voted upon and lost shall not be renewed.

In an odd-numbered year, notice of intention to move reconsideration shall not be in order after ..... Monday, April 24, 1989."

(3) Rule 4.11 is amended to read:

"4.11 NO SMOKING IN HOUSE CAPITOL AREA. Smoking is prohibited in areas of the Capitol under the jurisdiction of the House of Representatives, including the House Chamber and Retiring Room and galleries, hearing rooms, minor corridors and offices, except private offices excluded from the definition of "public place" in section 144.413, subdivision 2, and areas meeting the criteria set out in section 16B.24, subdivision 9, for designation as smoking areas."

(4) Rule 6.10 is amended to read:

"6.10 COMMITTEE ON ETHICS. The Speaker shall appoint a Committee on Ethics. An equal number of members from the majority group and the minority group and one alternate from each group shall be appointed. The committee shall adopt written procedures, which shall include due process requirements, for handling complaints and issuing guidelines.

Complaints regarding a member's conduct must be submitted in writing to the Speaker verified and signed by two or more members of the House and shall be referred to the committee within 15 days for processing by the committee according to its rules of procedure. Prior to referring the matter to the committee, the Speaker shall inform the member against whom a question of conduct has been raised of the complaint and the complainant's identity. The Speaker, the members making the complaint, the members of the Committee on Ethics, and employees of the House shall hold the complaint in confidence until the committee or the member subject of the complaint cause a public hearing to be scheduled. A complaint of a breach of the confidentiality requirement by a member or employee of the House shall be immediately referred by the Speaker to the Ethics Committee for disciplinary action. The committee shall act in an investigatory capacity and may make recommendations regarding questions of ethical conduct received prior to adjournment sine die.

Ethics committee recommendations for disciplinary action shall be referred to the Committee on Rules and Legislative Administration, which committee may adopt, amend, or reject the recommendations of the Ethics committee. Recommendations adopted by the Committee on Rules and Legislative Administration to expel, censure, or reprimand shall be reported to the House for final disposition."

(5) Rule 6.11 is amended to read:

"6.11 CONFERENCE COMMITTEES. A conference committee may report at any time. No committee except a conference committee or the Committee on Rules and Legislative Administration shall sit during any daily session of the House without leave.

A conference committee report shall include only subject matter contained in the House or Senate versions of the bill for which that conference committee was appointed, or like subject matter contained in a bill passed by the House. The member presenting the conference committee report to the House shall disclose all substantive changes from the House version of the bill.

In an odd-numbered year except after ..... Monday, May 15, 1989, a written copy of a report of a conference committee shall be placed on the desk of each member of the House 24 hours before action on the report by the House. If the report has been reprinted in the Journal of the House for a preceding day and is available to the members, the Journal copy shall serve as the written report."

(6) Rule 9.3 is amended to read:

"9.3 DEADLINES. In odd-numbered years, committee reports on

bills favorably acted upon by a committee in the house of origin after ..... Friday, April 14, 1989, and committee reports on bills originating in the other house favorably acted upon by a committee after ..... Wednesday, April 26, 1989, shall be referred in the House of Representatives to the Committee on Rules and Legislative Administration for disposition. However, referral is not required after the first deadline when, by the second deadline, a committee acts on a bill that is a companion to a bill that has then been acted upon by the first deadline in the Senate. This rule does not apply in the House Committees on Appropriations and on Taxes and to the education finance bill in the Committee on Education."

The motion prevailed and the report amending the Permanent Rules of the House for the 76th Session was adopted.

REPORT FROM THE COMMITTEE ON RULES AND  
LEGISLATIVE ADMINISTRATION

Wynia, from the Committee on Rules and Legislative Administration, pursuant to House Rule No. 1.9, designated the following bill as Special Orders to be acted upon immediately preceding General Orders pending for today, Monday, March 20, 1989:

H. F. No. 46.

CONSENT CALENDAR

H. F. No. 128, A bill for an act relating to local government; delaying the effective date of the historical society levy for Chisago, Kanabec, Pine, and Carlton counties; amending Laws 1988, chapter 640, section 4.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Brown	Dempsey	Hartle	Jennings
Anderson, G.	Burger	Dille	Hasskamp	Johnson, R.
Anderson, R.	Carlson, D.	Dorn	Haukoos	Johnson, V.
Battaglia	Carlson, L.	Forsythe	Henry	Kahn
Bauerly	Carruthers	Frederick	Himle	Kalis
Beard	Clark	Frerichs	Hugoson	Kelly
Begich	Conway	Girard	Jacobs	Kelso
Bennett	Cooper	Greenfield	Janezich	Kinkel
Bertram	Dauner	Gruenes	Jaros	Knickerbocker
Boo	Dawkins	Gutknecht	Jefferson	Kostohryz

Krueger	Morrison	Ozment	Rodosovich	Swenson
Lasley	Munger	Pappas	Rukavina	Tjornhom
Lieder	Murphy	Pauly	Runbeck	Tompkins
Limmer	Nelson, C.	Pellow	Sarna	Trimble
Long	Nelson, K.	Pelowski	Schafer	Tunheim
Lynch	Neuenschwander	Peterson	Schreiber	Uphus
Macklin	O'Connor	Poppenhagen	Seaberg	Valento
Marsh	Ogren	Price	Segal	Vellenga
McDonald	Olsen, S.	Pugh	Simoneau	Wagenius
McEachern	Olson, E.	Quinn	Skoglund	Waltman
McGuire	Omann	Redalen	Solberg	Weaver
McLaughlin	Onnen	Reding	Sparby	Wenzel
McPherson	Orenstein	Rest	Stanius	Williams
Milbert	Ostrom	Rice	Steensma	Winter
Miller	Otis	Richter	Sviggum	Wynia
				Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 695, A bill for an act relating to education; reducing the Askov school board from seven to six members; requiring local approval.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kostohryz	Olson, K.	Schafer
Anderson, G.	Frerichs	Krueger	Omann	Schreiber
Anderson, R.	Girard	Lasley	Onnen	Seaberg
Battaglia	Greenfield	Lieder	Orenstein	Segal
Bauerly	Gruenes	Limmer	Ostrom	Simoneau
Beard	Gutknecht	Long	Otis	Skoglund
Begich	Hartle	Lynch	Ozment	Solberg
Bennett	Hasskamp	Macklin	Pappas	Sparby
Bertram	Haukoos	Marsh	Pauly	Stanius
Bishop	Henry	McDonald	Pellow	Steensma
Boo	Himle	McEachern	Pelowski	Sviggum
Brown	Hugoson	McGuire	Peterson	Swenson
Burger	Jacobs	McPherson	Poppenhagen	Tjornhom
Carlson, D.	Janezich	Milbert	Price	Tompkins
Carlson, L.	Jaros	Miller	Pugh	Trimble
Carruthers	Jefferson	Morrison	Quinn	Tunheim
Clark	Jennings	Munger	Redalen	Uphus
Conway	Johnson, R.	Murphy	Reding	Valento
Cooper	Johnson, V.	Nelson, C.	Rest	Vellenga
Dauner	Kahn	Nelson, K.	Rice	Wagenius
Dawkins	Kalis	Neuenschwander	Richter	Waltman
Dempsey	Kelly	O'Connor	Rodosovich	Weaver
Dille	Kelso	Ogren	Rukavina	Wenzel
Dorn	Kinkel	Olsen, S.	Runbeck	Williams
Forsythe	Knickerbocker	Olson, E.	Sarna	Winter
				Wynia
				Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 819, A bill for an act relating to Hennepin county; providing for the number of commissioners of the county housing and redevelopment authority; amending Minnesota Statutes 1988, section 383B.77, 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 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Lasley	Onnen	Simoneau
Anderson, G.	Girard	Lieder	Orenstein	Skoglund
Anderson, R.	Greenfield	Limmer	Ostrom	Solberg
Battaglia	Gruenes	Long	Otis	Sparby
Bauerly	Gutknecht	Lynch	Ozment	Stanius
Beard	Hartle	Macklin	Pappas	Steensma
Begich	Hasskamp	Marsh	Pauly	Sviggum
Bennett	Haukoos	McDonald	Pellow	Swenson
Bertram	Henry	McEachern	Pelowski	Tjornhom
Bishop	Himle	McGuire	Peterson	Tompkins
Boo	Hugoson	McLaughlin	Poppenhagen	Trimble
Brown	Jacobs	McPherson	Price	Tunheim
Burger	Janezich	Milbert	Pugh	Uphus
Carlson, D.	Jaros	Miller	Quinn	Valento
Carlson, L.	Jefferson	Morrison	Redalen	Vellenga
Carruthers	Jennings	Munger	Reding	Wagenius
Clark	Johnson, R.	Murphy	Rest	Waltman
Conway	Johnson, V.	Nelson, C.	Rice	Weaver
Cooper	Kahn	Nelson, K.	Richter	Wenzel
Dauner	Kalis	Neuenschwander	Rodosovich	Williams
Dawkins	Kelly	O'Connor	Rukavina	Winter
Dempsey	Kelso	Ogren	Runbeck	Wynia
Dille	Kinkel	Olsen, S.	Sarna	Spk. Vanasek
Dorn	Knickerbocker	Olson, E.	Schafer	
Forsythe	Kostohryz	Olson, K.	Seaberg	
Frederick	Krueger	Omann	Segal	

The bill was passed and its title agreed to.

H. F. No. 942, A bill for an act relating to metropolitan government; extending the responsibility of the mosquito control district to disease vectoring ticks; amending Minnesota Statutes 1988, sections 473.702; 473.704; and 473.711, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Lasley	Onnen	Seaberg
Anderson, G.	Frerichs	Lieder	Orenstein	Segal
Anderson, R.	Girard	Limmer	Ostrom	Simoneau
Battaglia	Greenfield	Long	Otis	Skoglund
Bauerly	Gruenes	Lynch	Ozment	Solberg
Beard	Gutknecht	Macklin	Pappas	Sparby
Begich	Hasskamp	Marsh	Pauly	Stanius
Bennett	Haukoos	McDonald	Pellow	Steensma
Bertram	Henry	McEachern	Pelowski	Sviggum
Bishop	Himle	McGuire	Peterson	Swenson
Boo	Hugoson	McLaughlin	Poppenhagen	Tjornhom
Brown	Jacobs	McPherson	Price	Tompkins
Burger	Janezich	Milbert	Pugh	Trimble
Carlson, D.	Jaros	Miller	Quinn	Tunheim
Carlson, L.	Jefferson	Morrison	Redalen	Uphus
Carruthers	Johnson, R.	Munger	Reding	Valento
Clark	Johnson, V.	Murphy	Rest	Vellenga
Conway	Kahn	Nelson, C.	Rice	Wagenius
Cooper	Kalis	Nelson, K.	Richter	Waltman
Dauner	Kelly	Neuenschwander	Rodosovich	Weaver
Dawkins	Kelso	O'Connor	Rukavina	Wenzel
Dempsey	Kinkel	Ogren	Runbeck	Williams
Dille	Knickerbocker	Olsen, S.	Sarna	Winter
Dorn	Kostohryz	Olson, E.	Schafer	Wynia
Forsythe	Krueger	Omann	Schreiber	Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 1115, A bill for an act relating to Dakota county; permitting the county to pay costs of a morgue; proposing coding for new law in Minnesota Statutes, chapter 383D.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 128 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Cooper	Hugoson	Limmer	O'Connor
Anderson, G.	Dauner	Jacobs	Long	Ogren
Anderson, R.	Dawkins	Janezich	Lynch	Olsen, S.
Battaglia	Dempsey	Jaros	Macklin	Olson, E.
Bauerly	Dille	Jefferson	Marsh	Olson, K.
Beard	Dorn	Jennings	McDonald	Omann
Begich	Forsythe	Johnson, R.	McEachern	Onnen
Bennett	Frederick	Johnson, V.	McGuire	Orenstein
Bertram	Frerichs	Kahn	McLaughlin	Ostrom
Bishop	Girard	Kalis	McPherson	Otis
Boo	Greenfield	Kelly	Milbert	Ozment
Brown	Gruenes	Kelso	Miller	Pappas
Burger	Gutknecht	Kinkel	Morrison	Pauly
Carlson, D.	Hartle	Knickerbocker	Munger	Pellow
Carlson, L.	Hasskamp	Kostohryz	Murphy	Pelowski
Carruthers	Haukoos	Krueger	Nelson, C.	Peterson
Clark	Henry	Lasley	Nelson, K.	Poppenhagen
Conway	Himle	Lieder	Neuenschwander	Price

Pugh	Rukavina	Skoglund	Tompkins	Weaver
Quinn	Runbeck	Solberg	Trimble	Wenzel
Redalen	Sarna	Sparby	Tunheim	Williams
Reding	Schafer	Stanius	Uphus	Winter
Rest	Schreiber	Steensma	Valento	Wynia
Rice	Seaberg	Swiggum	Vellenga	Spk. Vanasek
Richter	Segal	Swenson	Wagenius	
Rodosovich	Simoneau	Tjornhom	Waltman	

The bill was passed and its title agreed to.

S. F. No. 149, A bill for an act relating to education; authorizing the Minneapolis school district to pay health insurance premium subsidies more often than annually; amending Minnesota Statutes 1988, section 275.125, subdivision 6h.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kostohryz	Olson, K.	Schafer
Anderson, G.	Frerichs	Lasley	Omman	Schreiber
Anderson, R.	Girard	Lieder	Onnen	Seaberg
Battaglia	Greenfield	Limmer	Orenstein	Segal
Bauerly	Gruenes	Long	Ostrom	Simoneau
Beard	Gutknecht	Lynch	Otis	Skoglund
Begich	Hartle	Macklin	Ozment	Solberg
Bennett	Hasskamp	Marsh	Pappas	Sparby
Bertram	Haukoos	McDonald	Pauly	Stanius
Bishop	Henry	McEachern	Pellow	Steensma
Boo	Himle	McGuire	Pelowski	Swiggum
Brown	Hugoson	McLaughlin	Peterson	Swenson
Burger	Jacobs	McPherson	Poppenhagen	Tjornhom
Carlson, D.	Janezich	Milbert	Price	Tompkins
Carlson, L.	Jaros	Miller	Pugh	Trimble
Carruthers	Jefferson	Morrison	Quinn	Tunheim
Clark	Jennings	Munger	Redalen	Uphus
Conway	Johnson, R.	Murphy	Reding	Valento
Cooper	Johnson, V.	Nelson, C.	Rest	Vellenga
Dauner	Kahn	Nelson, K.	Rice	Wagenius
Dawkins	Kalis	Neuenschwander	Richter	Waltman
Dempsey	Kelly	O'Connor	Rodosovich	Weaver
Dille	Kelso	Ogren	Rukavina	Wenzel
Dorn	Kinkel	Olsen, S.	Runbeck	Williams
Forsythe	Knickerbocker	Olson, E.	Sarna	Winter
				Wynia

The bill was passed and its title agreed to.

## CALENDAR

H. F. No. 100, A bill for an act relating to state government;

regulating part-time employees and employment policies; amending Minnesota Statutes 1988, sections 16A.11, subdivision 3; and 43A.24, subdivision 1, and by adding a subdivision; repealing Minnesota Statutes 1988, section 43A.25.

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 122 yeas and 5 nays as follows:

Those who voted in the affirmative were:

Abrams	Girard	Lasley	Orenstein	Simoneau
Anderson, G.	Greenfield	Lieder	Ostrom	Skoglund
Anderson, R.	Gruenes	Limmer	Otis	Solberg
Battaglia	Gutknecht	Long	Ozment	Sparby
Bauerly	Hartle	Lynch	Pappas	Stanius
Beard	Hasskamp	Macklin	Pauly	Steenasma
Begich	Haukoos	Marsh	Pellow	Swenson
Bennett	Henry	McGuire	Pelowski	Tjornhom
Bertram	Himle	McLaughlin	Peterson	Tompkins
Bishop	Hugoson	McPherson	Poppenhagen	Trimble
Boo	Jacobs	Milbert	Price	Tunheim
Brown	Janezich	Miller	Pugh	Uphus
Burger	Jaros	Morrison	Quinn	Valento
Carlson, D.	Jefferson	Munger	Redalen	Vellenga
Carlson, L.	Jennings	Murphy	Reding	Wagenius
Carruthers	Johnson, R.	Nelson, C.	Rest	Waltman
Clark	Johnson, V.	Nelson, K.	Rice	Weaver
Conway	Kahn	Neuenschwander	Richter	Wenzel
Cooper	Kalis	O'Connor	Rodosovich	Williams
Dauner	Kelly	Ogren	Rukavina	Winter
Dawkins	Kelso	Olsen, S.	Runbeck	Wynia
Dille	Kinkel	Olson, E.	Sarna	Spk. Vanasek
Dorn	Knickerbocker	Olson, K.	Schafer	
Forsythe	Kostohryz	Omann	Seaberg	
Frederick	Krueger	Onnen	Segal	

Those who voted in the negative were:

Dempsey	Frerichs	McDonald	Schreiber	Sviggum
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The bill was passed and its title agreed to.

### SPECIAL ORDERS

H. F. No. 46 was reported to the House.

Ozment moved to amend H. F. No. 46, the second engrossment, as follows:

Page 23, after line 15, insert:

"Sec. 21. Minnesota Statutes 1988, section 16B.61, is amended by adding a subdivision to read:

Subd. 6. [TEMPORARY CERTIFICATES OF OCCUPANCY.] The code must require that temporary certificates of occupancy are valid for only three months. At the end of three months the temporary certificate may be renewed if the applicant can currently satisfy the requirements for issuing a temporary certificate. A temporary certificate may be renewed an unlimited number of times; however, each renewal may be for a maximum of a three-month period."

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 20, after "sections" insert "16B.61, by adding a subdivision;"

The motion did not prevail and the amendment was not adopted.

Stanius; Olsen, S.; McDonald; Omann; Lynch; Pellow; Frerichs; Forsythe; Seaberg; Schafer; Tjornhom and McPherson moved to amend H. F. No. 46, the second engrossment, as follows:

Page 2, delete lines 9 to 15

Page 4, delete lines 26 to 30

Renumber sections and subdivisions accordingly and adjust totals

A roll call was requested and properly seconded.

The question was taken on the Stanius et al amendment and the roll was called.

Pursuant to rule 2.5, Weaver requested that he be excused from voting on the Stanius et al amendment to H. F. No. 46. The request was granted.

There were 50 yeas and 77 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Burger	Forsythe	Gruenes	Henry
Bennett	Dauner	Frederick	Gutknecht	Himle
Bishop	Dempsey	Frerichs	Hartle	Hugoson
Boo	Dille	Girard	Haukoos	Jacobs

Knickerbocker	McPherson	Ozment	Richter	Sviggun
Limmer	Miller	Pauly	Runbeck	Swenson
Lynch	Morrison	Pellow	Schafer	Tjornhom
Macklin	Olsen, S.	Poppenhagen	Schreiber	Tompkins
Marsh	Omann	Quinn	Seaberg	Valento
McDonald	Onnen	Redalen	Stanius	Waltman

Those who voted in the negative were:

Abrams	Greenfield	Lieder	Ostrom	Solberg
Anderson, G.	Hasskamp	Long	Otis	Sparby
Battaglia	Janezich	McEachern	Pappas	Steensma
Bauerly	Jaros	McGuire	Pelowski	Trimble
Beard	Jefferson	McLaughlin	Peterson	Tunheim
Begich	Jennings	Milbert	Price	Uphus
Bertram	Johnson, R.	Munger	Pugh	Vellenga
Brown	Johnson, V.	Murphy	Reding	Wagenius
Carlson, D.	Kahn	Nelson, C.	Rest	Wenzel
Carlson, L.	Kalis	Nelson, K.	Rice	Williams
Carruthers	Kelly	Neuenschwander	Rodosovich	Winter
Clark	Kelso	O'Connor	Rukavina	Wynia
Conway	Kinkel	Ogren	Sarna	Spk. Vanasek
Cooper	Kostohryz	Olson, E.	Segal	
Dawkins	Krueger	Olson, K.	Simoneau	
Dorn	Lasley	Orenstein	Skoglund	

The motion did not prevail and the amendment was not adopted.

Johnson, V., moved to amend H. F. No. 46, the second engrossment, as follows:

Page 11, line 19, delete "\$4,000,000" and insert "\$8,000,000"

Page 11, line 21, delete "\$123,085,000" and insert "\$127,085,000"

Page 11, line 23, delete "\$4,000,000" and insert "\$8,000,000"

Page 24, line 7, delete "\$56,000,000" and insert "\$60,000,000"

Page 24, line 20, delete "\$56,000,000" and insert "\$60,000,000"

Page 24, line 29, delete "\$54,500,000" and insert "\$58,500,000"

Page 24, line 35, delete "\$13,860,000" and insert "\$16,220,000"

Page 25, line 1, delete "\$2,060,000" and insert "\$2,620,000"

Page 25, line 2, delete "\$22,080,000" and insert "\$23,160,000"

A roll call was requested and properly seconded.

#### CALL OF THE HOUSE

On the motion of Carlson, D., and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Abrams	Ferichs	Lasley	Onnen	Seaberg
Anderson, G.	Girard	Lieder	Orenstein	Segal
Anderson, R.	Greenfield	Limmer	Ostrom	Simoneau
Battaglia	Gruenes	Long	Otis	Skoglund
Bauerly	Gutknecht	Lynch	Ozment	Solberg
Beard	Hartle	Macklin	Pappas	Sparby
Begich	Hasskamp	Marsh	Pauly	Stanius
Bennett	Haukoos	McDonald	Pellow	Steenma
Bertram	Henry	McEachern	Pelowski	Swiggum
Bishop	Himle	McGuire	Peterson	Swenson
Boo	Hugoson	McLaughlin	Poppenhagen	Tjornhom
Brown	Jacobs	McPherson	Price	Tompkins
Burger	Janezich	Milbert	Pugh	Trimble
Carlson, D.	Jaros	Miller	Quinn	Tunheim
Carlson, L.	Jefferson	Morrison	Redalen	Uphus
Carruthers	Jennings	Munger	Reding	Valento
Conway	Johnson, R.	Murphy	Rest	Vellenga
Cooper	Johnson, V.	Nelson, C.	Rice	Wagenius
Dauner	Kahn	Nelson, K.	Richter	Waltman
Dawkins	Kalis	Neuenschwander	Rodosovich	Weaver
Dempsey	Kelly	O'Connor	Rukavina	Wenzel
Dille	Kelso	Ogren	Runbeck	Williams
Dorn	Kinkel	Olsen, S.	Sarna	Winter
Forsythe	Knickerbocker	Olson, E.	Schafer	Wynia
Frederick	Krueger	Omann	Schreiber	Spk. Vanasek

Carlson, D., moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

The question recurred on the Johnson, V., amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 55 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Abrams	Ferichs	Knickerbocker	Nelson, C.	Runbeck
Anderson, R.	Girard	Lieder	Olson, K.	Schafer
Bennett	Gruenes	Limmer	Omann	Schreiber
Boo	Gutknecht	Lynch	Onnen	Seaberg
Burger	Hartle	Macklin	Ostrom	Steenma
Carlson, D.	Haukoos	Marsh	Ozment	Swiggum
Cooper	Himle	McDonald	Pauly	Swenson
Dempsey	Hugoson	McPherson	Pellow	Uphus
Dille	Janezich	Milbert	Poppenhagen	Valento
Forsythe	Johnson, V.	Miller	Redalen	Waltman
Frederick	Kelso	Morrison	Richter	Weaver

Those who voted in the negative were:

Anderson, G.	Bishop	Dauner	Jacobs	Kalis
Battaglia	Brown	Dawkins	Jaros	Kelly
Bauerly	Carlson, L.	Dorn	Jefferson	Kinkel
Beard	Carruthers	Greenfield	Jennings	Kostohryz
Begich	Clark	Hasskamp	Johnson, R.	Krueger
Bertram	Conway	Henry	Kahn	Lasley

Long	Ogren	Pugh	Skoglund	Wagenius
McEachern	Olsen, S.	Quinn	Solberg	Wenzel
McGuire	Olson, E.	Reding	Sparby	Williams
McLaughlin	Orenstein	Rest	Stanis	Winter
Munger	Otis	Rodosovich	Tjornhoim	Wynia
Murphy	Pappas	Rukavina	Tompkins	Spk. Vanasek
Nelson, K.	Pelowski	Sarna	Trimble	
Neuenschwander	Peterson	Segal	Tunheim	
O'Connor	Price	Simoneau	Vellenga	

The motion did not prevail and the amendment was not adopted.

Johnson, R., moved to amend H. F. No. 46, the second engrossment, as follows:

Page 11, line 10, delete "24,747,000" and insert "25,248,500"

Page 11, line 21, delete "\$123,085,000" and insert "\$123,586,500"

Page 11, line 24, delete "114,661,000" and insert "115,162,500"

Page 11, line 27, delete "120,661,000" and insert "121,162,500"

Page 11, line 29, delete "75,861,000" and insert "76,362,500"

Page 15, line 49, delete "24,747,000" and insert "25,248,500"

Page 17, line 58, delete "150,000" and insert "651,500"

Page 17, line 59, before "This" insert "(a)" and after the language insert "150,000"

Page 17, after line 60, insert:

"(b) This appropriation is for planning for a new library or the complete renovation of and addition to the A.C. Clark Library.

\$501,500"

The question was taken on the Johnson, R., amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 24 yeas and 98 nays as follows:

Those who voted in the affirmative were:

Anderson, R.      Beard                      Boo                      Carruthers              Dempsey

Dille	Haukoos	Knickerbocker	Nelson, C.	Quinn
Frederick	Janezich	Lasley	Ogren	Rukavina
Frerichs	Johnson, R.	Marsh	Olson, E.	Simoneau
Gutknecht	Kinkel	McDonald	Omann	

Those who voted in the negative were:

Abrams	Greenfield	Macklin	Pelowski	Steensma
Anderson, G.	Gruenes	McEachern	Peterson	Sviggum
Battaglia	Hartle	McLaughlin	Poppenhagen	Swenson
Bauerly	Hasskamp	McPherson	Price	Tjornhom
Begich	Henry	Milbert	Pugh	Tompkins
Bennett	Himle	Miller	Redalen	Trimble
Bertram	Hugoson	Morrison	Reding	Tunheim
Bishop	Jacobs	Murphy	Rice	Uphus
Brown	Jefferson	Nelson, K.	Richter	Valento
Burger	Jennings	O'Connor	Rodosovich	Vellenga
Carlson, D.	Johnson, V.	Olsen, S.	Runbeck	Wagenius
Carlson, L.	Kahn	Olson, K.	Sarna	Waltman
Clark	Kalis	Onnen	Schafer	Weaver
Conway	Kelso	Orenstein	Schreiber	Wenzel
Cooper	Kostohryz	Ostrom	Seaberg	Williams
Dauner	Krueger	Otis	Segal	Winter
Dawkins	Lieder	Ozment	Skoglund	Wynia
Dorn	Limmer	Pappas	Solberg	Spk. Vanasek
Forsythe	Long	Pauly	Sparby	
Girard	Lynch	Pellow	Stanius	

The motion did not prevail and the amendment was not adopted.

Gruenes moved to amend H. F. No. 46, the second engrossment, as follows:

Page 11, line 10, delete "24,747,000" and insert "27,747,000"

Page 11, line 21, delete "\$123,085,000" and insert "\$126,085,000"

Page 11, line 24, delete "114,661,000" and insert "117,661,000"

Page 11, line 27, delete "120,661,000" and insert "123,661,000"

Page 11, line 29, delete "75,861,000" and insert "78,861,000"

Page 15, line 49, delete "24,747,000" and insert "27,747,000"

Page 18, line 9, delete "2,240,000" and insert "5,240,000"

Page 18, line 10, before "This" insert "(a)" and after the language insert "2,240,000"

Page 18, after line 12, insert:

"(b) This appropriation is for land acquisition at the St. Cloud and Winona state university campuses.

3,000,000"

The question was taken on the Gruenes amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 31 yeas and 94 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Frederick	Knickerbocker	Felowski	Uphus
Bauerly	Frerichs	Marsh	Poppenhagen	Valento
Bertram	Gruenes	McDonald	Redalen	Waltman
Boo	Gutknecht	McPherson	Richter	
Dempsey	Hartle	Omann	Schafer	
Dille	Haukoos	Onnen	Schreiber	
Forsythe	Johnson, V.	Pauly	Swenson	

Those who voted in the negative were:

Abrams	Hasskamp	Long	Orenstein	Skoglund
Anderson, G.	Henry	Lynch	Ostrom	Solberg
Battaglia	Himle	Macklin	Otis	Sparby
Beard	Hugoson	McEachern	Ozment	Stanius
Begich	Jacobs	McGuire	Pappas	Steensma
Bennett	Janezich	McLaughlin	Pellow	Sviggum
Brown	Jaros	Milbert	Peterson	Tjornhom
Burger	Jefferson	Miller	Price	Tompkins
Carlson, D.	Jennings	Morrison	Pugh	Trimble
Carlson, L.	Johnson, R.	Munger	Quinn	Tunheim
Carruthers	Kahn	Murphy	Reding	Vellenga
Clark	Kalis	Nelson, C.	Rice	Wagenius
Conway	Kelso	Nelson, K.	Rodosovich	Weaver
Cooper	Kinkel	Neuenschwander	Rukavina	Wenzel
Dauner	Kostohryz	O'Connor	Runbeck	Williams
Dawkins	Krueger	Ogren	Sarna	Winter
Dorn	Lasley	Olsen, S.	Seaberg	Wynia
Girard	Lieder	Olson, E.	Segal	Spk. Vanasek
Greenfield	Limmer	Olson, K.	Simoneau	

The motion did not prevail and the amendment was not adopted.

Ozment moved to amend H. F. No. 46, the second engrossment, as follows:

Page 23, after line 15, insert:

"Sec. 21. Minnesota Statutes 1988, section 16B.61, subdivision 1a, is amended to read:

Subd. 1a. [ADMINISTRATION BY COMMISSIONER.] The commissioner shall administer and enforce the state building code as a municipality with respect to public buildings in the state. The commissioner shall establish appropriate permit, plan review, and inspection fees for public buildings. Fees and surcharges for public

buildings must be remitted to the commissioner, who shall deposit them in the state treasury for credit to the special revenue fund.

Municipalities other than the state having a contractual agreement with the commissioner for code administration and enforcement service for public buildings shall charge their customary fees, including surcharge, to be paid directly to the contractual jurisdiction by the applicant seeking authorization to construct a public building. The commissioner ~~shall~~ may contract with a municipality other than the state for plan review, code administration, and code enforcement service for public buildings in the contractual jurisdiction if the building officials of the municipality meet the requirements of section 16B.65 and wish to provide those services and if the commissioner determines that the municipality has enough adequately trained and qualified building inspectors to provide those services for the construction project."

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 20; after "sections" insert "16B.61, subdivision 1a;"

The motion did not prevail and the amendment was not adopted.

#### CALL OF THE HOUSE LIFTED

Wynia moved that the call of the House be dispensed with. The motion prevailed and it was so ordered.

Ozment moved to amend H. F. No. 46, the second engrossment, as follows:

Page 23, after line 15, insert:

"Sec. 21. [BUILDING CODE AND STANDARDS DIVISION TRANSFER.]

The responsibilities of the building code and standards division of the department of administration are transferred to the department of public safety under Minnesota Statutes, section 15.039. The transferred division shall be a separate division of the department of public safety."

Renumber the sections in sequence

Correct internal references

The motion did not prevail and the amendment was not adopted.

Schreiber moved to amend H. F. No. 46, the second engrossment, as follows:

Page 4, line 41, before "Volunteer" insert "(a)"

Page 4, after line 44, insert:

"(b) State Office Building Arbitration Award 3,799,000"

Page 11, delete line 31

Reletter the clauses of section 2

Correct the totals and summary accordingly

Correct the bond sale authorizations as necessary

A roll call was requested and properly seconded.

The question was taken on the Schreiber amendment and the roll was called. There were 49 yeas and 76 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Knickerbocker	Onnen	Seaberg
Bennett	Frerichs	Limmer	Ozment	Stanius
Bishop	Girard	Lynch	Pauly	Sviggum
Boo	Gruenes	Macklin	Pellow	Swenson
Burger	Hartle	Marsh	Poppenhagen	Tjornhom
Carlson, D.	Haukoos	McDonald	Redalen	Tompkins
Conway	Henry	McPherson	Richter	Uphus
Dempsey	Himle	Morrison	Runbeck	Valento
Dille	Hugoson	Olsen, S.	Schafer	Waltman
Forsythe	Johnson, V.	Omann	Schreiber	

Those who voted in the negative were:

Anderson, G.	Dawkins	Kelly	Miller	Pappas
Battaglia	Dorn	Kelso	Munger	Pelowski
Bauerly	Greenfield	Kinkel	Murphy	Peterson
Beard	Hasskamp	Kostohryz	Nelson, C.	Price
Begich	Jacobs	Krueger	Nelson, K.	Pugh
Bertram	Janezich	Lasley	O'Connor	Quinn
Brown	Jaros	Lieder	Olson, E.	Reding
Carlson, L.	Jefferson	Long	Olson, K.	Rest
Carruthers	Jennings	McEachern	Orenstein	Rice
Clark	Johnson, R.	McGuire	Ostrom	Rodosovich
Cooper	Kahn	McLaughlin	Otis	Rukavina
Dauner	Kalis	Milbert		Sarna

Segal	Sparby	Vellenga	Williams
Simoneau	Steensma	Wagenius	Winter
Skoglund	Trimble	Weaver	Wynia
Solberg	Tunheim	Wenzel	Spk. Vanasek

The motion did not prevail and the amendment was not adopted.

Frerichs, Onnen and Dempsey moved to amend H. F. No. 46, the second engrossment, as follows:

Page 11, line 13, delete "15,299,000" and insert "11,162,000"

Page 11, line 21, delete "\$123,085,000" and insert "\$118,948,000"

Page 11, line 24, delete "114,661,000" and insert "110,524,000"

Page 11, line 27, delete "120,661,000" and insert "116,524,000"

Page 11, line 29, delete "75,861,000" and insert "71,724,000"

Page 19, line 25, delete "15,299,000" and insert "11,092,000"

Page 20, delete lines 10 to 12

Page 20, line 13, delete "(c)" and insert "(b)".

Page 20, line 16, delete "(d)" and insert "(c)".

Amend other amounts as necessary

A roll call was requested and properly seconded.

The question was taken on the Frerichs et al amendment and the roll was called. There were 31 yeas and 95 nays as follows:

Those who voted in the affirmative were:

Burger	Gruenes	Limmer	Onnen	Schreiber
Dempsey	Gutknecht	Marsh	Poppenhagen	Sviggum
Forsythe	Hartle	McDonald	Redalen	Tjornhom
Frederick	Haukoos	McPherson	Richter	Tompkins
Frerichs	Henry	Miller	Runbeck	Uphus
Girard	Hugoson	Morrison	Schafer	Valento
				Waltman

Those who voted in the negative were:

Abrams	Bauerly	Bertram	Carlson, L.	Cooper
Anderson, G.	Beard	Boo	Carruthers	Dauner
Anderson, R.	Begich	Brown	Clark	Dawkins
Battaglia	Bennett	Carlson, D.	Conway	Dille

Dorn	Kinkel	Nelson, K.	Pelowski	Solberg
Greenfield	Knickerbocker	Neuenschwander	Peterson	Sparby
Hasskamp	Kostohryz	O'Connor	Price	Stanius
Himle	Krueger	Ogren	Pugh	Steenasma
Jacobs	Lasley	Olsen, S.	Quinn	Swenson
Janezich	Lieder	Olson, E.	Reding	Trimble
Jaros	Long	Olson, K.	Rest	Tunheim
Jefferson	Lynch	Omann	Rice	Vellenga
Jennings	Macklin	Orenstein	Rodosovich	Wagenius
Johnson, R.	McEachern	Ostrom	Rukavina	Weaver
Johnson, V.	McGuire	Otis	Sarna	Wenzel
Kahn	McLaughlin	Ozment	Seaberg	Williams
Kalis	Milbert	Pappas	Segal	Winter
Kelly	Munger	Pauly	Simoneau	Wynia
Kelso	Murphy	Fellow	Skoglund	Spk. Vanasek

The motion did not prevail and the amendment was not adopted.

Marsh moved to amend H. F. No. 46, the second engrossment, as follows:

Page 11, line 14, delete "2,881,000" and insert "22,881,000"

Page 11, line 21, delete "\$123,085,000" and insert "143,085,000"

Page 11, line 24, delete "114,661,000" and insert "134,661,000"

Page 11, line 27, delete "120,661,000" and insert "140,661,000"

Page 11, line 29, delete "75,861,000" and insert "95,861,000"

Page 21, line 4, delete "2,881,000" and insert "22,881,000"

Page 21, line 7, before "Replace" insert "(a)"

Page 21, after line 24, insert:

"(b) Subd. 7. This amount is to be used to increase bed capacity. The funds may not be used to construct wholly new correctional facilities.

20,000,000"

Amend other amounts as necessary

The question was taken on the Marsh amendment and the roll was called. There were 15 yeas and 108 nays as follows:

Those who voted in the affirmative were:

Boo	Frederick	Knickerbocker	Olsen, S.	Schreiber
Carruthers	Gruenes	Marsh	Omann	Swenson
Dempsey	Gutknecht	McPherson	Pauly	Valento

Those who voted in the negative were:

Abrams	Frerichs	Krueger	Orenstein	Skoglund
Anderson, G.	Girard	Lasley	Ostrom	Solberg
Anderson, R.	Greenfield	Lieder	Otis	Sparby
Battaglia	Hartle	Limmer	Ozment	Stanius
Bauerly	Hasskamp	Long	Pappas	Steensma
Beard	Haukoos	Macklin	Pellow	Sviggum
Begich	Henry	McDonald	Pelowski	Tjornhom
Bennett	Himle	McEachern	Peterson	Tompkins
Bertram	Hugoson	McGuire	Price	Trimble
Bishop	Jacobs	McLaughlin	Pugh	Tunheim
Brown	Janezich	Milbert	Quinn	Uphus
Burger	Jaros	Miller	Reding	Vellenga
Carlson, D.	Jefferson	Munger	Rest	Wagenius
Carlson, L.	Jennings	Murphy	Rice	Waltman
Clark	Johnson, R.	Nelson, C.	Rodosovich	Weaver
Conway	Johnson, V.	Nelson, K.	Rukavina	Wenzel
Cooper	Kahn	Neuenschwander	Runbeck	Williams
Dauner	Kalis	O'Connor	Sarna	Winter
Dawkins	Kelly	Ogren	Schafer	Wynia
Dille	Kelso	Olson, E.	Seaberg	Spk. Vanasek
Dorn	Kinkel	Olson, K.	Segal	
Forsythe	Kostohryz	Onnen	Simoneau	

The motion did not prevail and the amendment was not adopted.

Runbeck; Carlson, D.; Begich; Solberg; Rukavina; Quinn and Battaglia moved to amend H. F. No. 46, the second engrossment, as follows:

Page 11, line 7, delete "580,000" and insert "1,580,000"

Page 11, line 21, delete "\$123,085,000" and insert "\$124,085,000"

Page 11, line 24, delete "114,661,000" and insert "115,661,000"

Page 11, line 27, delete "120,661,000" and insert "121,611,000"

Page 11, line 29, delete "75,861,000" and insert "76,861,000"

Page 13, after line 2, insert:

"(e) National Sports Center 500,000

This appropriation is for seating expansion at the Blaine national sports center stadium.

(f) National Shooting Sports Center 500,000

This appropriation is for the planning of a national shooting sports center to

be located at Giant's Ridge in Biwabik."

Amend other amounts as necessary

The question was taken on the Runbeck et al amendment and the roll was called. There were 68 yeas and 57 nays as follows:

Those who voted in the affirmative were:

Battaglia	Gruenes	Lynch	Onnen	Schreiber
Beard	Gutknecht	Macklin	Otis	Simoneau
Begich	Hartle	Marsh	Ozment	Solberg
Bennett	Henry	McDonald	Pauly	Stanius
Boo	Hugoson	McPherson	Pellow	Swenson
Burger	Jacobs	Milbert	Pelowski	Tjornhom
Carlson, D.	Janezich	Morrison	Poppenhagen	Trimble
Carruthers	Jaros	Munger	Pugh	Uphus
Cooper	Jefferson	Murphy	Quinn	Valento
Dempsey	Johnson, R.	Nelson, C.	Redalen	Waltman
Dille	Johnson, V.	Neuenschwander	Richter	Weaver
Forsythe	Kinkel	O'Connor	Rukavina	Wenzel
Frederick	Knickerbocker	Ogren	Runbeck	
Frerichs	Limmer	Olsen, S.	Schafer	

Those who voted in the negative were:

Abrams	Greenfield	Long	Peterson	Swiggum
Anderson, G.	Hasskamp	McEachern	Price	Tompkins
Anderson, R.	Haukoos	McGuire	Reding	Tunheim
Bauerly	Jennings	McLaughlin	Rest	Vellenga
Bertram	Kahn	Miller	Rice	Wagenius
Brown	Kalis	Nelson, K.	Rodosovich	Williams
Carlson, L.	Kelly	Olson, E.	Sarna	Winter
Clark	Kelso	Olson, K.	Seaberg	Wynia
Conway	Kostohryz	Omann	Segal	Spk. Vanasek
Dauner	Krueger	Orenstein	Skoglund	
Dawkins	Lasley	Ostrom	Sparby	
Girard	Lieder	Pappas	Steensma	

The motion prevailed and the amendment was adopted.

Carlson, D., moved to amend H. F. No. 46, the second engrossment, as amended, as follows:

Page 11, line 5, delete "\$22,600,000" and insert "\$21,350,000"

Page 11, line 6, delete "5,000,000" and insert "6,250,000"

Page 13, line 4, insert "Subdivision 1."

Page 13, after line 41, insert:

"Subd. 2. [APPROPRIATION ADJUSTMENT.] The commissioner of finance, upon recommendation of the commissioner of the pollution control agency, shall reduce the appropriations for the projects funded by this section by 1,250,000 in fiscal year 1990. The money shall be used as provided in section 6(b)."

Page 13, line 43, insert "(a)"

Page 14, after line 7, insert:

"(b) Local Recreation Grants 1,250,000

This appropriation is to acquire and better recreation open space projects upon application by local units of government and Indian tribes and bands recognized by the federal government. Projects that receive federal grants must be given priority. A grant under this paragraph is not contingent upon the receipt of federal grants. A project may receive grant assistance of up to 50 percent of the total capital cost of the project or, if federal money is used, 50 percent of the local share. A project must not receive grant assistance of more than 400,000. A local unit of government must not receive more than one grant during each fiscal biennium.

\$625,000, shall be granted for projects outside the metropolitan area defined in Minnesota Statutes, section 473.121."

A roll call was requested and properly seconded.

The question was taken on the Carlson, D., amendment and the roll was called. There were 28 yeas and 95 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Carlson, D.	Frederick	Gruenes	Hugoson
Bennett	Dempsey	Frerichs	Gutknecht	Johnson, V.
Boo	Dille	Girard	Haukoos	Lynch

McDonald	Omamm	Redalen	Schafer	Waltman
McPherson	Pauly	Richter	Seaberg	
Ogren	Pellow	Runbeck	Stanius	

Those who voted in the negative were:

Abrams	Hartle	Lieder	Onnen	Skoglund
Anderson, G.	Hasskamp	Limmer	Orenstein	Solberg
Battaglia	Henry	Long	Ostrom	Sparby
Bauerly	Himle	Macklin	Otis	Steensma
Beard	Jacobs	Marsh	Pappas	Swiggum
Begich	Janezich	McGuire	Pelowski	Swenson
Bertram	Jaros	McLaughlin	Peterson	Tjornhom
Bishop	Jefferson	Milbert	Poppenhagen	Tompkins
Burger	Jennings	Miller	Price	Trimble
Carlson, L.	Johnson, R.	Morrison	Pugh	Tunheim
Carruthers	Kahn	Munger	Quinn	Uphus
Clark	Kalis	Murphy	Reding	Vellenga
Conway	Kelly	Nelson, C.	Rest	Wagenius
Cooper	Kelso	Nelson, K.	Rice	Weaver
Dauner	Kinkel	Neuenschwander	Rodosovich	Wenzel
Dawkins	Knickerbocker	O'Connor	Rukavina	Williams
Dorn	Kostohryz	Olsen, S.	Sarna	Winter
Forsythe	Krueger	Olson, E.	Segal	Wynia
Greenfield	Lasley	Olson, K.	Simoneau	Spk. Vanasek

The motion did not prevail and the amendment was not adopted.

McDonald, McPherson and Beard moved to amend H. F. No. 46, the second engrossment, as amended, as follows:

Page 21, line 16, before "Complete" insert "(a)"

Page 21, after line 17, insert:

"(b) Purchase audio visual and video equipment for educational programs for prisoners 10,000"

Amend agency totals accordingly

The question was taken on the McDonald et al amendment and the roll was called. There were 24 yeas and 100 nays as follows:

Those who voted in the affirmative were:

Beard	Frederick	McDonald	Ozment	Schafer
Boo	Gutknecht	McEachern	Quinn	Stanius
Carlson, D.	Johnson, V.	McPherson	Redalen	Swenson
Dempsey	Knickerbocker	Omamm	Richter	Valento
Forsythe	Marsh	Onnen	Sarna	

Those who voted in the negative were:

Abrams	Anderson, R.	Bauerly	Bennett	Bishop
Anderson, G.	Battaglia	Begich	Bertram	Brown

Burger	Himle	Macklin	Pappas	Solberg
Carlson, L.	Hugoson	McGuire	Pauly	Sparby
Carruthers	Jacobs	McLaughlin	Pellow	Steensma
Clark	Janezich	Milbert	Pelowski	Svigum
Conway	Jefferson	Miller	Peterson	Tjornhom
Cooper	Jennings	Morrison	Poppenhagen	Tompkins
Dauner	Johnson, R.	Munger	Price	Trimble
Dawkins	Kahn	Murphy	Pugh	Tunheim
Dille	Kalis	Nelson, C.	Reding	Uphus
Dorn	Kelso	Nelson, K.	Rest	Vellenga
Frerichs	Kinkel	Neuenschwander	Rice	Wagenius
Girard	Kostohryz	O'Connor	Rodosovich	Waltman
Greenfield	Krueger	Olsen, S.	Rukavina	Weaver
Gruenes	Lasley	Olson, E.	Runbeck	Wenzel
Hartle	Lieder	Olson, K.	Seaberg	Williams
Hasskamp	Limmer	Orenstein	Segal	Winter
Haukoos	Long	Ostrom	Simoneau	Wynia
Henry	Lynch	Otis	Skoglund	Spk. Vanasek

The motion did not prevail and the amendment was not adopted.

Kelso was excused for the remainder of today's session.

Begich moved to amend H. F. No. 46, the second engrossment, as amended, as follows:

Page 13, delete lines 51 to 55

Page 14, delete lines 1 to 7

A roll call was requested and properly seconded.

#### POINT OF ORDER

Beard raised a point of order pursuant to section 43, paragraph 10, of "Mason's Manual of Legislative Procedure" relating to laws, rules or decisions of a higher authority. The Speaker ruled the point of order not well taken.

#### CALL OF THE HOUSE

On the motion of Johnson, R., and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Abrams	Boo	Dauner	Greenfield	Jacobs
Anderson, G.	Brown	Dawkins	Gruenes	Janezich
Battaglia	Burger	Dempsey	Gutknecht	Jaros
Bauerly	Carlson, D.	Dille	Hartle	Jefferson
Beard	Carlson, L.	Dorn	Hasskamp	Johnson, R.
Begich	Carruthers	Forsythe	Haukoos	Johnson, V.
Bennett	Clark	Frederick	Henry	Kahn
Bertram	Conway	Frerichs	Himle	Kalis
Bishop	Cooper	Girard	Hugoson	Kelly

Kinkel	Milbert	Ostrom	Richter	Swenson
Knickerbocker	Miller	Otis	Rodosovich	Tjornhom
Kostohryz	Morrison	Ozment	Rukavina	Tompkins
Krueger	Munger	Pappas	Runbeck	Trimble
Lasley	Murphy	Pauly	Sarna	Tunheim
Lieder	Nelson, C.	Pellow	Schafer	Uphus
Limmer	Nelson, K.	Pelowski	Schreiber	Valento
Long	Neuenschwander	Peterson	Seaberg	Vellenga
Lynch	O'Connor	Poppenhagen	Segal	Wagenius
Macklin	Ogren	Price	Simoneau	Waltman
Marsh	Olsen, S.	Pugh	Skoglund	Weaver
McDonald	Olson, E.	Quinn	Solberg	Wenzel
McEachern	Olson, K.	Redalen	Sparby	Williams
McGuire	Omann	Reding	Stanius	Winter
McLaughlin	Onnen	Rest	Steenasma	Wynia
McPherson	Orenstein	Rice	Sviggum	Spk. Vanasek

Wynia moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

The question recurred on the Begich amendment and the roll was called. There were 64 yeas and 61 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Hasskamp	McLaughlin	Pelowski	Skoglund
Battaglia	Jacobs	Milbert	Peterson	Solberg
Bauerly	Janezich	Munger	Price	Steenasma
Bead	Jaros	Murphy	Pugh	Trimble
Begich	Jefferson	Nelson, K.	Quinn	Vellenga
Boo	Johnson, R.	Neuenschwander	Reding	Wagenius
Carlson, L.	Kahn	O'Connor	Rest	Weaver
Carruthers	Kelly	Ogren	Rice	Wenzel
Clark	Kinkel	Olson, K.	Rodosovich	Williams
Conway	Kostohryz	Orenstein	Rukavina	Winter
Dawkins	Lasley	Ostrom	Sarna	Wynia
Dorn	McEachern	Otis	Segal	Spk. Vanasek
Greenfield	McGuire	Pappas	Simoneau	

Those who voted in the negative were:

Abrams	Forsythe	Kalis	Nelson, C.	Schafer
Anderson, G.	Frederick	Knickerbocker	Olsen, S.	Schreiber
Bennett	Frerichs	Krueger	Olson, E.	Seaberg
Bertram	Girard	Lieder	Omann	Sparby
Bishop	Gruenes	Limmer	Onnen	Stanius
Brown	Gutknecht	Lynch	Ozment	Sviggum
Burger	Hartle	Macklin	Pauly	Swenson
Carlson, D.	Haukoos	Marsh	Pellow	Tjornhom
Cooper	Henry	McDonald	Poppenhagen	Tompkins
Dauner	Himle	McPherson	Redalen	Tunheim
Dempsey	Hugoson	Miller	Richter	Uphus
Dille	Johnson, V.	Morrison	Runbeck	Valento
				Waltman

The motion prevailed and the amendment was adopted.

Ogren moved to amend H. F. No. 46, the second engrossment, as amended, as follows:

Page 11, line 8, delete "6,126,000" and insert "5,956,000"

Page 11, line 9, delete "8,237,000" and insert "8,337,000"

Page 11, line 21, delete "\$123,085,000" and insert "\$123,015,000"

Page 11, line 24, delete "114,661,000" and insert "114,591,000"

Page 11, line 27, delete "120,661,000" and insert "120,591,000"

Page 11, line 29, delete "75,861,000" and insert "75,791,000"

Page 14, line 19, delete "6,126,000" and insert "5,956,000"

Page 14, line 27, delete "674,000"

Page 14, line 28, delete "(a)"

Page 14, delete lines 36 to 43

Page 15, line 11, delete "8,237,000" and insert "8,337,000"

Page 15, after line 38, insert:

"Subd. 4. Fond du Lac Center . . . . . 100,000

This appropriation is for planning for the first phase of a permanent center."

Renumber the remaining subdivision

A roll call was requested and properly seconded.

The question was taken on the Ogren amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 20 yeas and 102 nays as follows:

Those who voted in the affirmative were:

Battaglia	Jacobs	Johnson, R.	Murphy	Rukavina
Beard	Janezich	Lasley	O'Connor	Sarna
Begich	Jaros	McEachern	Ogren	Segal
Clark	Jefferson	Milbert	Quinn	Solberg

Those who voted in the negative were:

Abrams	Frerichs	Macklin	Pauly	Steensma
Anderson, G.	Girard	Marsh	Pellow	Swigum
Anderson, R.	Greenfield	McDonald	Pelowski	Swenson
Bauerly	Gruenes	McGuire	Peterson	Tjornhom
Bennett	Gutknecht	McLaughlin	Poppenhagen	Tompkins
Bertram	Hartle	McPherson	Price	Trimble
Bishop	Hasskamp	Miller	Pugh	Tunheim
Boo	Haukoos	Morrison	Redalen	Uphus
Brown	Henry	Nelson, C.	Reding	Valento
Burger	Himle	Nelson, K.	Rest	Vellenga
Carlson, D.	Hugoson	Neuenschwander	Rice	Wagenius
Carlson, L.	Johnson, V.	Olsen, S.	Richter	Waltman
Carruthers	Kahn	Olsen, E.	Rodovich	Weaver
Conway	Kinkel	Olson, K.	Runbeck	Wenzel
Cooper	Knickerbocker	Omann	Schafer	Williams
Dauner	Kostohryz	Onnen	Schreiber	Winter
Dempsey	Krueger	Orenstein	Seaberg	Wynia
Dille	Lieder	Ostrom	Simoneau	Spk. Vanasek
Dorn	Limmer	Otis	Skoglund	
Forsythe	Long	Ozment	Sparby	
Frederick	Lynch	Pappas	Stanius	

The motion did not prevail and the amendment was not adopted.

Lasley moved to amend H. F. No. 46, the second engrossment, as amended, as follows:

Page 20, after line 39, insert:

"Subd. 6. Anoka-Ramsey Community College; Cambridge Center	1,352,500
(a) Code compliance	900,000
(b) Planning for remodeling	452,000"

Amend the agency totals accordingly

The question was taken on the Lasley amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 23 yeas and 98 nays as follows:

Those who voted in the affirmative were:

Beard	Janezich	Lynch	Peterson	Simoneau
Dempsey	Johnson, R.	McEachern	Quinn	Stanius
Dille	Kinkel	Milbert	Rukavina	Swenson
Frerichs	Knickerbocker	Murphy	Schafer	
Gutknecht	Lasley	Ogren	Schreiber	

Those who voted in the negative were:

Abrams	Anderson, G.	Anderson, R.	Battaglia	Bauerly
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Begich	Gruenes	McDonald	Pappas	Steensma
Bennett	Hartle	McGuire	Pauly	Sviggum
Bertram	Hasskamp	McLaughlin	Pellow	Tjornhom
Bishop	Haukoos	McPherson	Pelowski	Tompkins
Boo	Henry	Miller	Poppenhagen	Trimble
Burger	Himle	Morrison	Price	Tunheim
Carlson, D.	Hugoson	Munger	Pugh	Uphus
Carlson, L.	Jacobs	Nelson, C.	Redalen	Valento
Carruthers	Jaros	Nelson, K.	Reding	Vellenga
Clark	Jefferson	Neuenschwander	Rest	Wagenius
Conway	Kahn	Olsen, S.	Rice	Waltman
Cooper	Kelly	Olson, E.	Richter	Weaver
Dauner	Kostohryz	Olson, K.	Rodosovich	Wenzel
Dawkins	Krueger	Omman	Runbeck	Williams
Dorn	Lieder	Onnen	Seaberg	Winter
Forsythe	Limmer	Orenstein	Segal	Wynia
Frederick	Long	Ostrom	Skoglund	Spk. Vanasek
Girard	Macklin	Otis	Solberg	
Greenfield	Marsh	Ozment	Sparby	

The motion did not prevail and the amendment was not adopted.

Winter, Steensma and Olson, K., moved to amend H. F. No. 46, the second engrossment, as amended, as follows:

Page 15, after line 38, insert:

"Subd. 4. Worthington Community College	146,000
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This appropriation is for planning to build a new student center and library and remodel existing facilities for student services needs."

Amend the remaining subdivision

Amend the agency totals accordingly

The question was taken on the Winter et al amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 31 yeas and 92 nays as follows:

Those who voted in the affirmative were:

Beard	Frerichs	Janezich	Milbert	Quinn
Bertram	Girard	Kinkel	Nelson, C.	Redalen
Conway	Gutknecht	Knickerbocker	O'Connor	Reding
Dauner	Hugoson	McDonald	Olson, K.	Richter
Dille	Jacobs	McEachern	Pugh	Rukavina

Sarna  
SchaferSolberg  
SteensmaUphus  
Winter

Those who voted in the negative were:

Abrams	Frederick	Limmer	Otis	Stanius
Anderson, G.	Greenfield	Lynch	Ozment	Sviggum
Anderson, R.	Gruenes	Macklin	Pappas	Swenson
Battaglia	Hartle	Marsh	Pauly	Tjornhom
Bauerly	Hasskamp	McGuire	Pellow	Tompkins
Begich	Haukoos	McLaughlin	Pelowski	Trimble
Bennett	Henry	McPherson	Peterson	Tunheim
Bishop	Himle	Miller	Poppenhagen	Valento
Boo	Jaros	Morrison	Price	Vellenga
Brown	Jefferson	Murphy	Rest	Wagenius
Carlson, D.	Johnson, R.	Nelson, K.	Rice	Waltman
Carlson, L.	Johnson, V.	Neuenschwander	Rodosovich	Weaver
Carruthers	Kahn	Ogren	Runbeck	Wenzel
Clark	Kalis	Olsen, S.	Schreiber	Williams
Cooper	Kelly	Olson, E.	Seaberg	Wynia
Dawkins	Kostohryz	Omann	Segal	Spk. Vanasek
Dempsey	Krueger	Onnen	Simoneau	
Dorn	Lasley	Orenstein	Skoglund	
Forsythe	Lieder	Ostrom	Sparby	

The motion did not prevail and the amendment was not adopted.

Trimble moved to amend H. F. No. 46, the second engrossment, as amended, as follows:

Page 14, after line 24, insert:

“As part of the planning process for any new building, consideration must be given to the child care needs of a campus and the feasibility of locating child care facilities in the new building.”

Page 15, after line 24, insert:

“As part of the planning process for any new building, consideration must be given to the child care needs of a campus and the feasibility of locating child care facilities in the new building.”

Page 16, after line 45, insert:

“As part of the planning process for any new building, consideration must be given to the child care needs of a campus and the feasibility of locating child care facilities in the new building.”

Page 18, after line 43, insert:

“As part of the planning process for any new building, consideration must be given to the child care needs of a campus and the feasibility of locating child care facilities in the new building.”

The motion prevailed and the amendment was adopted.

Schreiber moved to amend H. F. No. 46, the second engrossment, as amended, as follows:

Page 10, line 33, delete “state building” and insert “general”

Page 11, delete lines 26 to 29

Page 22, delete lines 28 to 45

Page 23, delete lines 1 to 15

Pages 25 and 26, delete section 24

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The motion did not prevail and the amendment was not adopted.

Valento, McGuire, Bennett, Schreiber, Wynia, McPherson and Morrison moved to amend H. F. No. 46, the second engrossment, as amended, as follows:

Page 14, line 15, before the period insert “to be named the John Rose Minnesota Oval”

The motion prevailed and the amendment was adopted.

Begich moved to amend H. F. No. 46, the second engrossment, as amended, as follows:

Page 13, after line 50, insert:

“Allotment of funds under this section is contingent upon the commissioner of

finance determining that the appropriate labor and management organizations have executed agreements assuring that no management lockout or labor strike will occur during the construction or dredging process."

A roll call was requested and properly seconded.

The question was taken on the Begich amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 122 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Lasley	Ostrom	Skoglund
Anderson, G.	Frerichs	Lieder	Otis	Solberg
Anderson, R.	Girard	Limmer	Ozment	Sparby
Battaglia	Greenfield	Long	Pappas	Stanius
Bauerly	Gruenes	Lynch	Pauly	Steenasma
Beard	Gutknecht	Macklin	Pellow	Sviggum
Begich	Hartle	Marsh	Pelowski	Swenson
Bennett	Hasskamp	McDonald	Peterson	Tjornhom
Bertram	Haukoos	McGuire	Poppenhagen	Tompkins
Bishop	Henry	McLaughlin	Price	Trimble
Boo	Himle	McPherson	Pugh	Tunheim
Brown	Hugoson	Milbert	Quinn	Uphus
Burger	Jacobs	Morrison	Redalen	Valento
Carlson, D.	Janezich	Munger	Reding	Vellenga
Carlson, L.	Jaros	Murphy	Rest	Wagenius
Carruthers	Jefferson	Nelson, C.	Rice	Waltman
Clark	Johnson, R.	Nelson, K.	Richter	Weaver
Conway	Johnson, V.	Neuenschwander	Rodosovich	Wenzel
Cooper	Kahn	Ogren	Rukavina	Williams
Dauner	Kalis	Olsen, S.	Runbeck	Winter
Dawkins	Kelly	Olson, E.	Schafer	Wynia
Dempsey	Kinkel	Olson, K.	Schreiber	Spk. Vanasek
Dille	Knickerbocker	Omamm	Seaberg	
Dorn	Kostohryz	Onnen	Segal	
Forsythe	Krueger	Orenstein	Simoneau	

The motion prevailed and the amendment was adopted.

Valento moved to amend H. F. No. 46, the second engrossment, as amended, as follows:

Page 13, delete lines 11 and 12 and insert:

"The communities affected by the withdrawal of federal combined sewer overflow funding shall make up the

anticipated loss in revenue through an increase in sewer rates."

Page 13, line 13, delete "\$3,000,000" and insert "\$8,000,000"

A roll call was requested and properly seconded.

The question was taken on the Valento amendment and the roll was called. There were 60 yeas and 63 nays as follows:

Those who voted in the affirmative were:

Abrams	Ferichs	Kostohryz	Omann	Seaberg
Anderson, R.	Girard	Limmer	Onnen	Stanius
Beard	Gruenes	Lynch	Ostrom	Steensma
Bennett	Hartle	Macklin	Pauly	Sviggum
Bertram	Haukoos	Marsh	Pellow	Swenson
Bishop	Henry	McDonald	Poppenhagen	Tjornhom
Boo	Himle	McEachern	Price	Tompkins
Burger	Hugoson	McPherson	Quinn	Tunheim
Dempsey	Jacobs	Miller	Richter	Uphus
Dille	Johnson, V.	Morrison	Runbeck	Valento
Forsythe	Kalis	Ogren	Schafer	Waltman
Frederick	Knickerbocker	Olsen, S.	Schreiber	Weaver

Those who voted in the negative were:

Anderson, G.	Greenfield	McGuire	Pappas	Skoglund
Battaglia	Hasskamp	McLaughlin	Pelowski	Solberg
Bauerly	Janezich	Milbert	Peterson	Sparby
Begich	Jaros	Munger	Pugh	Trimble
Brown	Jefferson	Murphy	Redalen	Vellenga
Carlson, D.	Johnson, R.	Nelson, C.	Reding	Wagenius
Carlson, L.	Kahn	Nelson, K.	Rest	Wenzel
Clark	Kelly	Neuenschwander	Rice	Williams
Conway	Kinkel	O'Connor	Rodosovich	Winter
Cooper	Krueger	Olson, E.	Rukavina	Wynia
Dauner	Lasley	Orenstein	Sarna	Spk. Vanasek
Dawkins	Lieder	Otis	Segal	
Dorn	Long	Ozment	Simoneau	

The motion did not prevail and the amendment was not adopted.

H. F. No. 46, A bill for an act relating to public administration; authorizing spending to acquire and to better public land and buildings and other public improvements of a capital nature with certain conditions; providing for deficiencies in and supplementing appropriations for the expenses of state government; authorizing issuance of state bonds; providing for the maximum effort school loan program and the cooperative secondary facilities grant program; clarifying the definition of mental health service provider and providing for a fee for the providers; clarifying requirements of manufactured home parks in certain cases; reducing certain bond sales authorizations; distributing the proceeds of certain litigation; increasing authorizations for certain state transportation bonds;

increasing the allocation for bridges to political subdivisions; providing for certain adjustment grants; approving a capital loan; appropriating money; amending Minnesota Statutes 1988, sections 116.18, subdivision 3d; 124.477; 124.493, subdivision 1; 124.494, subdivisions 1, 2, and 4; 124.495; 129B.72, subdivision 2, and by adding a subdivision; 129B.73, subdivision 4, and by adding a subdivision; 148B.40, subdivision 3; 148B.42, by adding a subdivision; 327.20, subdivision 1; and Laws 1979, chapter 280, sections 1 and 2, as amended; proposing coding for new law in Minnesota Statutes, chapter 129B; repealing Laws 1987, chapter 400, section 59, as amended; and Laws 1988, chapter 686, article 1, section 37, subdivision 10.

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.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 102 yeas and 24 nays as follows:

Those who voted in the affirmative were:

Anderson, G.	Frederick	Lynch	Ozment	Skoglund
Anderson, R.	Frerichs	Macklin	Pappas	Solberg
Battaglia	Girard	Marsh	Pellow	Sparby
Bauerly	Greenfield	McEachern	Pelowski	Steensma
Beard	Greenes	McGuire	Peterson	Svigum
Begich	Gutknecht	McLaughlin	Poppenhagen	Swenson
Bertram	Hartle	Milbert	Price	Trimble
Bishop	Hasskamp	Morrison	Pugh	Tunheim
Boo	Jacobs	Munger	Quinn	Uphus
Brown	Janezich	Murphy	Redalen	Valento
Carlson, D.	Jaros	Nelson, C.	Reding	Wagenius
Carlson, L.	Jefferson	Nelson, K.	Rest	Waltman
Carruthers	Johnson, R.	Neuenschwander	Rice	Weaver
Clark	Johnson, V.	O'Connor	Richter	Wenzel
Conway	Kahn	Ogren	Rodosovich	Williams
Cooper	Kalis	Olson, K.	Rukavina	Winter
Dawkins	Kelly	Omann	Runbeck	Wynia
Dempsey	Kinkel	Onnen	Sarna	Spk. Vanasek
Dille	Kostohryz	Orenstein	Schafer	
Dorn	Krueger	Ostrom	Segal	
Forsythe	Lieder	Otis	Simoneau	

Those who voted in the negative were:

Abrams	Henry	Limmer	Olsen, S.	Stanius
Bennett	Himle	Long	Olson, E.	Tjornhom
Burger	Hugoson	McDonald	Pauly	Tompkins
Dauner	Knickerbocker	McPherson	Schreiber	Vellenga
Haukoos	Lasley	Miller	Seaberg	

The bill was passed, as amended, and its title agreed to.

Olsen, S., and Morrison were excused at 9:30 p.m.

### GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Vanasek in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 243, 278, 306, 765 and 862 were recommended to pass.

H. F. Nos. 484, 630 and 931 were recommended for progress.

H. F. No. 1104 was recommended for re-referral to the Committee on Judiciary.

H. F. No. 266, the first engrossment, which it recommended to pass with the following amendment offered by Long:

Pages 20 and 21, delete section 23

Pages 22 and 23, delete section 25

Page 26, line 21, delete "26, 28 to 31," and insert "24, 26 to 29,"

Page 26, line 22, delete "33" and insert "31"

Page 26, line 30, delete "27" and insert "25"

Page 26, line 31, delete "32" and insert "30"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 12, delete everything after "permits;"

Page 1, line 13, delete "training;"

Page 1, line 25, delete "297C.02, subdivision 4; 297C.07;"

On the motion of Wynia the report of the Committee of the Whole was adopted.

### MOTIONS AND RESOLUTIONS

Redalen moved that the names of Brown, Steensma, Kahn and Anderson, G., be added as authors on H. F. No. 91. The motion prevailed.

Reding moved that the name of Johnson, R., be added as an author on H. F. No. 557. The motion prevailed.

Winter moved that the name of Redalen be added as an author on H. F. No. 584. The motion prevailed.

Blatz moved that the names of Welle, Ogren and Neuenschwander be added as authors on H. F. No. 732. The motion prevailed.

Kelly moved that the name of Hartle be added as an author on H. F. No. 812. The motion prevailed.

Uphus moved that the name of Schafer be stricken and the name of Dauner be added as second author on H. F. No. 911. The motion prevailed.

Waltman moved that the names of Pelowski, McGuire and Frerichs be added as authors on H. F. No. 930. The motion prevailed.

Dille moved that the name of Girard be added as an author on H. F. No. 1037. The motion prevailed.

Trimble moved that the name of Kahn be added as an author on H. F. No. 1201. The motion prevailed.

Tunheim moved that the name of Sparby be added as an author on H. F. No. 1205. The motion prevailed.

Dawkins moved that the name of Conway be added as an author on H. F. No. 1228. The motion prevailed.

Krueger moved that the name of Abrams be added as an author on H. F. No. 1242. The motion prevailed.

House Resolution No. 4 was reported to the House.

## HOUSE RESOLUTION NO. 4

A house resolution proclaiming September 14-16, 1989, as Korea: An American Remembrance in the State of Minnesota.

*Whereas*, 54,246 American lives were lost in the Korean War between the years 1950-1953; and

*Whereas*, the veterans of the Korean War have seen the pride and recognition due them vanish; and

*Whereas*, a project, known as Korea: An American Remembrance, is planned, with the purposes of: restoring the pride and honor of the Americans who defended the glory of the United States; confirming the continuing devotion to the principles, beliefs, and values the veterans fought to preserve; and demonstrating civil and social enlightenment, responsibility, and commitment; and

*Whereas*, the ultimate purpose of Korea: An American Remembrance is not remembering war but commemorating peace and the price paid to preserve freedom; *Now, Therefore*,

*Be It Resolved* by the House of Representatives of the State of Minnesota that it proclaims September 14-16, 1989, as Korea: An American Remembrance in the State of Minnesota. The House also commemorates the community celebrations taking place to honor this day, including parades held in Minneapolis and Saint Paul on Saturday, September 16, 1989, and encourages all Minnesotans to participate in these celebrations.

*Be It Further Resolved* that the Chief Clerk of the House of Representatives is directed to prepare an enrolled copy of this resolution, to be authenticated by his signature and that of the Speaker, and that it be presented to Lonnie Morgan, Executive Director of the project, Korea: An American Remembrance.

Kostohryz moved that House Resolution No. 4 be now adopted. The motion prevailed and House Resolution No. 4 was adopted.

## ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on S. F. No. 156:

Kostohryz, Quinn and Kelso.

## ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 2:30 p.m., Tuesday, March 28, 1989. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Tuesday, March 28, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



STATE OF MINNESOTA

SEVENTY-SIXTH SESSION—1989

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TWENTY-FOURTH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, MARCH 22, 1989

The Senate met on Wednesday, March 22, 1989, which was the Twenty-fourth Legislative Day of the Seventy-sixth Session of the Minnesota State Legislature. The House of Representatives did not meet on this date.



## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION — 1989

## TWENTY-FIFTH DAY

SAINT PAUL, MINNESOTA, TUESDAY, MARCH 28, 1989

The House of Representatives convened at 2:30 p.m. and was called to order by Robert E. Vanasek, Speaker of the House.

Prayer was offered by Monsignor James D. Habiger, House Chaplain.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Abrams	Frerichs	Lasley	Osthoff	Segal
Anderson, G.	Girard	Lieder	Ostrom	Simoneau
Anderson, R.	Greenfield	Limmer	Otis	Skoglund
Battaglia	Gruenes	Long	Ozment	Solberg
Bauerly	Gutknecht	Lynch	Pappas	Sparby
Beard	Hasskamp	Macklin	Pauly	Stanius
Begich	Haukoos	Marsh	Pellow	Steensma
Bennett	Heap	McEachern	Pelowski	Sviggum
Bertram	Henry	McGuire	Peterson	Swenson
Bishop	Himle	McLaughlin	Poppenhagen	Tjornhom
Blatz	Hugoson	McPherson	Price	Tompkins
Boo	Jacobs	Miller	Pugh	Trimble
Brown	Jaros	Morrison	Quinn	Tunheim
Burger	Jefferson	Munger	Redalen	Uphus
Carlson, D.	Jennings	Murphy	Reding	Valento
Carlson, L.	Johnson, A.	Nelson, C.	Rest	Vellenga
Carruthers	Johnson, R.	Nelson, K.	Rice	Wagenius
Conway	Johnson, V.	Neuenschwander	Richter	Waltman
Cooper	Kahn	O'Connor	Rodosovich	Weaver
Dauner	Kalis	Ogren	Rukavina	Welle
Dawkins	Kelly	Olsen, S.	Runbeck	Wenzel
Dempsey	Kelso	Olson, E.	Sarna	Williams
Dille	Kinkel	Olson, K.	Schafer	Winter
Dorn	Knickerbocker	Omann	Scheid	Wynia
Forsythe	Kostohryz	Onnen	Schreiber	Spk. Vanasek
Frederick	Krueger	Orenstein	Seaberg	

A quorum was present.

Hartle, Janezich, McDonald and Milbert were excused.

Clark was excused until 3:10 p.m.

The Chief Clerk proceeded to read the Journals of the preceding days. Frederick moved that further reading of the Journals be dispensed with and that the Journals be approved as corrected by the Chief Clerk. The motion prevailed.

#### REPORTS OF CHIEF CLERK

Pursuant to Rules of the House, printed copies of H. F. Nos. 774, 804, 436, 603, 707, 827, 925, 943, 46 and 266 and S. F. Nos. 671 and 227 have been placed in the members' files.

#### PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
ST. PAUL 55155

March 17, 1989

The Honorable Robert E. Vanasek  
Speaker of the House of Representatives  
The State of Minnesota

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 267, relating to the military; reducing from two years to one year the number of years the adjutant general of the Minnesota national guard is required to serve as a brigadier general before promotion to major general.

Sincerely,

RUDY PERPICH  
Governor

STATE OF MINNESOTA  
OFFICE OF THE SECRETARY OF STATE  
ST. PAUL 55155

The Honorable Robert E. Vanasek  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1989 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and	
			Date Approved 1989	Date Filed 1989
	267	11	8:40-March 17	March 17
644		12	13:30-March 17	March 17

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

## REPORTS OF STANDING COMMITTEES

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 3, A bill for an act relating to crimes; providing for life imprisonment without parole for persons convicted of premeditated murder or intentional homicide in the course of committing a drug offense; expanding the crime of first degree murder to include drug-related homicides; eliminating juvenile court jurisdiction over minors 14 years old and older accused of murder or manslaughter; increasing penalties and imposing mandatory minimum sentences for certain violent crimes; prohibiting waiver of certain mandatory minimum sentences; amending Minnesota Statutes 1988, sections 152.15; 244.05, subdivision 4; 260.015, subdivision 5; 260.111, by adding a subdivision; 260.125, subdivision 3, and by adding a subdivision; 609.11, subdivision 7; 609.185; 609.19; 609.195; 609.20; 609.221; 609.223; 609.224, subdivision 2; 609.255, subdivision 3; 609.342, subdivision 2; 609.343, subdivision 2; 609.344, subdivision 2; 609.345, subdivision 2; and 609.377; repealing Minnesota Statutes 1988, section 609.11, subdivision 8.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 169.09, subdivision 14, is amended to read:

Subd. 14. [PENALTIES.] (a) The driver of any vehicle who violates subdivision 1 or 6 and who caused the accident is punishable as follows:

(1) if the accident results in the death of any person, the driver is guilty of a felony and may be sentenced to imprisonment for not more than ten years, or to payment of a fine of not more than \$20,000, or both;

(2) if the accident results in great bodily harm to any person, as defined in section 609.02, subdivision 8, the driver is guilty of a felony and may be sentenced to imprisonment for not more than five years, or to payment of a fine of not more than \$10,000, or both; or

(3) if the accident results in substantial bodily harm to any person, as defined in section 609.02, subdivision 7a, the driver is guilty of a felony and may be sentenced to imprisonment for not more than three years, or to payment of a fine of not more than \$5,000, or both.

(b) The driver of any vehicle who violates subdivision 1 or 6 and who did not cause the accident is punishable as follows:

(1) if the accident results in the death of any person, the driver is guilty of a felony and may be sentenced to imprisonment for not more than three years, or to payment of a fine of not more than \$5,000, or both;

(2) if the accident results in great bodily harm to any person, as defined in section 609.02, subdivision 8, the driver is guilty of a felony and may be sentenced to imprisonment for not more than ~~one year and one day~~ two years, or to payment of a fine of not more than ~~\$3,000~~ \$4,000, or both; or

(3) if the accident results in substantial bodily harm to any person, as defined in section 609.02, subdivision 7a, the driver may be sentenced to imprisonment for not more than one year, or to payment of a fine of not more than \$3,000, or both.

(c) The driver of any vehicle involved in an accident not resulting in substantial bodily harm or death who violates subdivision 1 or 6 may be sentenced to imprisonment for not more than one year, or to payment of a fine of not more than \$3,000, or both.

(d) Any person who violates subdivision 3, clause (b) is guilty of a petty misdemeanor.

(e) Any person who violates subdivision 2, 3, clause (a), 4, 5, 7, 8, 10, 11, or 12 is guilty of a misdemeanor.

The attorney in the jurisdiction in which the violation occurred who is responsible for prosecution of misdemeanor violations of this section shall also be responsible for prosecution of gross misdemeanor violations of this section.

Sec. 2. Minnesota Statutes 1988, section 243.05, subdivision 1, is amended to read:

Subdivision 1. [CONDITIONAL RELEASE.] The commissioner of corrections may parole any person sentenced to confinement in any state correctional facility for adults under the control of the commissioner of corrections, provided that:

(a) no inmate serving a life sentence for committing murder before May 1, 1980, other than murder committed in violation of clause (1) of section 609.185, who has not been previously convicted of a felony shall be paroled without having served 20 years, less the diminution that would have been allowed for good conduct had the sentence been for 20 years;

(b) no inmate serving a life sentence for committing murder before May 1, 1980, who has been previously convicted of a felony or though not previously convicted of a felony, is serving a life sentence for murder in the first degree committed in violation of clause (1) of section 609.185 shall be paroled without having served 25 years, less the diminution which would have been allowed for good conduct had the sentence been for 25 years;

(c) any inmate sentenced prior to September 1, 1963 who would be eligible for parole had the inmate been sentenced after September 1, 1963, shall be eligible for parole; and

(d) any new rule or policy or change of rule or policy adopted by the commissioner of corrections which has the effect of postponing eligibility for parole has prospective effect only and applies only with respect to persons committing offenses after the effective date of the new rule or policy or change. Upon being paroled and released, an inmate is and remains in the legal custody and under the control of the commissioner, subject at any time to be returned to a facility of the department of corrections established by law for the confinement or treatment of convicted persons and the parole rescinded by the commissioner. The written order of the commissioner of corrections, is sufficient authority for any peace officer or state parole and probation agent to retake and place in actual custody any person on

parole or supervised release, but any state parole and probation agent may, without order of warrant, when it appears necessary in order to prevent escape or enforce discipline, take and detain a parolee or person on supervised release or work release to the commissioner for action. The written order of the commissioner of corrections is sufficient authority for any peace officer or state parole and probation agent to retake and place in actual custody any person on probation under the supervision of the commissioner pursuant to section 609.135, but any state parole and probation agent may, without an order, when it appears necessary in order to prevent escape or enforce discipline, retake and detain a probationer and bring the probationer before the court for further proceedings under section 609.14. Persons conditionally released, and those on probation under the supervision of the commissioner of corrections pursuant to section 609.135 may be placed within or outside the boundaries of the state at the discretion of the commissioner of corrections or the court, and the limits fixed for these persons may be enlarged or reduced according to their conduct.

In considering applications for conditional release or discharge, the commissioner is not required to hear oral argument from any attorney or other person not connected with an adult correctional facility of the department of corrections in favor of or against the parole or release of any inmates, but the commissioner may institute inquiries by correspondence, taking testimony or otherwise, as to the previous history, physical or mental condition, and character of the inmate, and to that end shall have authority to require the attendance of the chief executive officer of any state adult correctional facility and the production of the records of these facilities, and to compel the attendance of witnesses. The commissioner is authorized to administer oaths to witnesses for these purposes.

Sec. 3. Minnesota Statutes 1988, section 244.05, subdivision 4, is amended to read:

Subd. 4. [MINIMUM IMPRISONMENT, LIFE SENTENCE.] An inmate serving a mandatory life sentence for conviction of murder in the first degree under section 609.185 must not be given supervised release under this section unless otherwise authorized by the board of pardons under section 29. An inmate serving a mandatory life sentence shall under section 609.385 must not be given supervised release under this section without having served a minimum term of imprisonment of 17 years.

Sec. 4. Minnesota Statutes 1988, section 244.05, subdivision 5, is amended to read:

Subd. 5. [SUPERVISED RELEASE, LIFE SENTENCE.] The commissioner of corrections may, under rules promulgated by the commissioner, give supervised release to an inmate serving a mandatory life sentence under section 609.385 after the inmate has

served the minimum term of imprisonment specified in subdivision 4. The commissioner may, under rules promulgated by the commissioner, give supervised release to an inmate serving a mandatory life sentence for conviction of murder in the first degree under section 609.185 if the board of pardons authorizes the granting of supervised release under section 29.

Sec. 5. Minnesota Statutes 1988, section 297D.09, subdivision 1a, is amended to read:

Subd. 1a. [CRIMINAL PENALTY; SALE WITHOUT AFFIXED STAMPS.] In addition to the tax penalty imposed, a dealer distributing or possessing marijuana or controlled substances without affixing the appropriate stamps, labels, or other indicia is guilty of a crime and, upon conviction, may be sentenced to imprisonment for not more than five seven years or to payment of a fine of not more than \$10,000 \$14,000, or both.

Sec. 6. Minnesota Statutes 1988, section 299F.80, subdivision 1, is amended to read:

Subdivision 1. Except as provided in subdivision 2, whoever possesses explosives without a valid license or permit may be sentenced to imprisonment for not more than three five years.

Sec. 7. Minnesota Statutes 1988, section 325D.56, subdivision 2, is amended to read:

Subd. 2. Any person who is found to have willfully committed any of the acts enumerated in section 325D.53 shall be guilty of a felony and subject to a fine of not more than \$50,000 or imprisonment in the state penitentiary for not more than five seven years, or both.

Sec. 8. Minnesota Statutes 1988, section 609.11, subdivision 7, is amended to read:

Subd. 7. [PROSECUTOR SHALL ESTABLISH.] Whenever reasonable grounds exist to believe that the defendant or an accomplice used a firearm or other dangerous weapon or had in possession a firearm, at the time of commission of an offense listed in subdivision 9, the prosecutor shall, at the time of trial or at the plea of guilty, present on the record all evidence tending to establish that fact unless it is otherwise admitted on the record. The question of whether the defendant or an accomplice, at the time of commission of an offense listed in subdivision 9, used a firearm or other dangerous weapon or had in possession a firearm shall be determined by the court on the record at the time of a verdict or finding of guilt at trial or the entry of a plea of guilty based upon the record of the trial or the plea of guilty. The court shall determine on the record at the time of sentencing whether the defendant has been

convicted of a second or subsequent offense in which the defendant or an accomplice, at the time of commission of an offense listed in subdivision 9, used a firearm or other dangerous weapon or had in possession a firearm.

Sec. 9. Minnesota Statutes 1988, section 609.185, is amended to read:

**609.185 [MURDER IN THE FIRST DEGREE.]**

Whoever does any of the following is guilty of murder in the first degree and shall be sentenced to imprisonment for life:

(1) causes the death of a human being with premeditation and with intent to effect the death of the person or of another;

(2) causes the death of a human being while committing or attempting to commit criminal sexual conduct in the first or second degree with force or violence, either upon or affecting the person or another;

(3) causes the death of a human being with intent to effect the death of the person or another, while committing or attempting to commit burglary, aggravated robbery, kidnapping, arson in the first or second degree, tampering with a witness in the first degree, or escape from custody, or any violation of chapter 152 involving the unlawful sale of a controlled substance;

(4) causes the death of a peace officer or a guard employed at a Minnesota state correctional facility, with intent to effect the death of that person or another, while the peace officer or guard is engaged in the performance of official duties; or

(5) causes the death of a minor under circumstances other than those described in clause (1) or (2) while committing or attempting to commit child abuse, when the perpetrator has engaged in a past pattern of child abuse upon the child and the death occurs under circumstances manifesting an extreme indifference to human life.

For purposes of clause (5), "child abuse" means an act committed against a minor victim that constitutes a violation of section 609.221, 609.222, 609.223, 609.224, 609.342, 609.343, 609.344, 609.345, 609.377, or 609.378.

Sec. 10. Minnesota Statutes 1988, section 609.19, is amended to read:

**609.19 [MURDER IN THE SECOND DEGREE.]**

Whoever does either of the following is guilty of murder in the second degree and may be sentenced to imprisonment for, upon conviction, shall be committed to the commissioner of corrections for a term of imprisonment of at least 20 years but not more than 40 years, notwithstanding sections 242.19, 243.05, 244.04, 609.11, 609.12, and 609.135:

(1) Causes the death of a human being with intent to effect the death of that person or another, but without premeditation, or

(2) Causes the death of a human being, without intent to effect the death of any person, while committing or attempting to commit a felony offense other than criminal sexual conduct in the first or second degree with force or violence.

Sec. 11. Minnesota Statutes 1988, section 609.195, is amended to read:

**609.195 [MURDER IN THE THIRD DEGREE.]**

(a) Whoever, without intent to effect the death of any person, causes the death of another by perpetrating an act eminently dangerous to others and evincing a depraved mind, without regard for human life, is guilty of murder in the third degree and may be sentenced to imprisonment for, upon conviction, shall be committed to the commissioner of corrections for a term of imprisonment of at least ten years but not more than 25 years, notwithstanding sections 242.19, 243.05, 244.04, 609.11, 609.12, and 609.135.

(b) Whoever, without intent to cause death, proximately causes the death of a human being by, directly or indirectly, unlawfully selling, giving away, bartering, delivering, exchanging, distributing, or administering a controlled substance classified in schedule I or II, is guilty of murder in the third degree and may be sentenced to imprisonment for not more than 25 years or to payment of a fine of not more than \$40,000, or both.

Sec. 12. Minnesota Statutes 1988, section 609.205, is amended to read:

**609.205 [MANSLAUGHTER IN THE SECOND DEGREE.]**

A person who causes the death of another by any of the following means is guilty of manslaughter in the second degree and may be sentenced to imprisonment for not more than seven ten years or to payment of a fine of not more than \$14,000 \$20,000, or both:

(1) by the person's culpable negligence whereby the person creates an unreasonable risk, and consciously takes chances of causing death or great bodily harm to another; or

(2) by shooting another with a firearm or other dangerous weapon as a result of negligently believing the other to be a deer or other animal; or

(3) by setting a spring gun, pit fall, deadfall, snare, or other like dangerous weapon or device; or

(4) by negligently or intentionally permitting any animal, known by the person to have vicious propensities or to have caused great or substantial bodily harm in the past, to run uncontrolled off the owner's premises, or negligently failing to keep it properly confined.

If proven by a preponderance of the evidence, it shall be an affirmative defense to criminal liability under clause (4) that the victim provoked the animal to cause the victim's death.

Sec. 13. Minnesota Statutes 1988, section 609.221, is amended to read:

609.221 [ASSAULT IN THE FIRST DEGREE.]

Whoever assaults another and inflicts great bodily harm may be sentenced to imprisonment for not more than ~~ten~~ 20 years or to payment of a fine of not more than ~~\$20,000~~ \$30,000, or both.

Sec. 14. Minnesota Statutes 1988, section 609.222, is amended to read:

609.222 [ASSAULT IN THE SECOND DEGREE.]

Whoever assaults another with a dangerous weapon may be sentenced to imprisonment for not more than ~~five seven~~ years or to payment of a fine of not more than ~~\$10,000~~ \$14,000, or both.

Sec. 15. Minnesota Statutes 1988, section 609.223, is amended to read:

609.223 [ASSAULT IN THE THIRD DEGREE.]

Whoever assaults another and inflicts substantial bodily harm may be sentenced to imprisonment for not more than ~~three five~~ years or to payment of a fine of not more than ~~\$5,000~~ \$10,000, or both.

Sec. 16. Minnesota Statutes 1988, section 609.2231, subdivision 1, is amended to read:

Subdivision 1. [PEACE OFFICERS.] Whoever assaults a peace officer licensed under section 626.845, subdivision 1, when that officer is effecting a lawful arrest or executing any other duty

imposed by law and inflicts demonstrable bodily harm is guilty of a felony and may be sentenced to imprisonment for not more than ~~one year and a day~~ two years or to payment of a fine of not more than ~~\$3,000~~ \$4,000, or both.

Sec. 17. Minnesota Statutes 1988, section 609.255, subdivision 3, is amended to read:

Subd. 3. [UNREASONABLE RESTRAINT OF CHILDREN.] A parent, legal guardian, or caretaker who intentionally subjects a child under the age of 18 years to unreasonable physical confinement or restraint by means including but not limited to, tying, locking, caging, or chaining for a prolonged period of time and in a cruel manner which is excessive under the circumstances, is guilty of unreasonable restraint of a child and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both. If the confinement or restraint results in substantial bodily harm, that person may be sentenced to imprisonment for not more than ~~three~~ five years or to payment of not more than ~~\$5,000~~ \$10,000, or both.

Sec. 18. Minnesota Statutes 1988, section 609.2665, is amended to read:

609.2665 [MANSLAUGHTER OF AN UNBORN CHILD IN THE SECOND DEGREE.]

A person who causes the death of an unborn child by any of the following means is guilty of manslaughter of an unborn child in the second degree and may be sentenced to imprisonment for not more than ~~seven ten~~ years or to payment of a fine of not more than ~~\$14,000~~ \$20,000, or both:

(1) by the actor's culpable negligence whereby the actor creates an unreasonable risk and consciously takes chances of causing death or great bodily harm to an unborn child or a person;

(2) by shooting the mother of the unborn child with a firearm or other dangerous weapon as a result of negligently believing her to be a deer or other animal;

(3) by setting a spring gun, pit fall, deadfall, snare, or other like dangerous weapon or device; or

(4) by negligently or intentionally permitting any animal, known by the person to have vicious propensities or to have caused great or substantial bodily harm in the past, to run uncontrolled off the owner's premises, or negligently failing to keep it properly confined.

If proven by a preponderance of the evidence, it shall be an

affirmative defense to criminal liability under clause (4) that the mother of the unborn child provoked the animal to cause the unborn child's death.

Sec. 19. Minnesota Statutes 1988, section 609.267, is amended to read:

609.267 [ASSAULT OF AN UNBORN CHILD IN THE FIRST DEGREE.]

Whoever assaults a pregnant woman and inflicts great bodily harm on an unborn child who is subsequently born alive may be sentenced to imprisonment for not more than ~~ten~~ 15 years or to payment of a fine of not more than ~~\$20,000~~ \$30,000, or both.

Sec. 20. Minnesota Statutes 1988, section 609.323, subdivision 1, is amended to read:

Subdivision 1. Whoever, while acting other than as a prostitute or patron, intentionally receives profit, knowing or having reason to know that it is derived from the prostitution, or the promotion of the prostitution, of an individual under the age of 13 years, may be sentenced to imprisonment for not more than ~~ten~~ 15 years or to payment of a fine of not more than ~~\$20,000~~ \$30,000, or both.

Sec. 21. Minnesota Statutes 1988, section 609.345, subdivision 2, is amended to read:

Subd. 2. [PENALTY.] A person convicted under subdivision 1 may be sentenced to imprisonment for not more than five seven years or to a payment of a fine of not more than ~~\$10,000~~ \$14,000, or both.

Sec. 22. Minnesota Statutes 1988, section 609.377, is amended to read:

609.377 [MALICIOUS PUNISHMENT OF A CHILD.]

A parent, legal guardian, or caretaker who, by an intentional act or a series of intentional acts with respect to a child, evidences unreasonable force or cruel discipline that is excessive under the circumstances is guilty of malicious punishment of a child and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both. If the punishment results in substantial bodily harm, that person may be sentenced to imprisonment for not more than ~~three~~ five years or to payment of not more than ~~\$5,000~~ \$10,000, or both.

Sec. 23. Minnesota Statutes 1988, section 609.445, is amended to read:

## 609.445 [FAILURE TO PAY OVER STATE FUNDS.]

Whoever receives money on behalf of or for the account of the state or any of its agencies or subdivisions and intentionally refuses or omits to pay the same to the state or its agency or subdivision entitled thereto, or to an officer or agent authorized to receive the same, may be sentenced to imprisonment for not more than three five years or to payment of a fine of not more than ~~\$5,000~~ \$10,000, or both.

Sec. 24. Minnesota Statutes 1988, section 609.48, subdivision 4, is amended to read:

Subd. 4. [SENTENCE.] Whoever violates this section may be sentenced as follows:

(1) If the false statement was made upon the trial of a felony charge, or upon an application for an explosives license or use permit, to imprisonment for not more than five seven years or to payment of a fine of not more than ~~\$10,000~~ \$14,000, or both; or

(2) In all other cases, to imprisonment for not more than ~~three five~~ years or to payment of a fine of not more than ~~\$5,000~~ \$10,000, or both.

Sec. 25. Minnesota Statutes 1988, section 609.487, subdivision 4, is amended to read:

Subd. 4. [FLEEING AN OFFICER; DEATH; BODILY INJURY.] Whoever flees or attempts to flee by means of a motor vehicle a peace officer who is acting in the lawful discharge of an official duty, and the perpetrator knows or should reasonably know the same to be a peace officer, and who in the course of fleeing causes the death of a human being not constituting murder or manslaughter or any bodily injury to any person other than the perpetrator may be sentenced to imprisonment as follows:

(a) If the course of fleeing results in death, to imprisonment for not more than ten years or to payment of a fine of not more than \$20,000, or both; or

(b) If the course of fleeing results in great bodily harm, to imprisonment for not more than five seven years or to payment of a fine of not more than ~~\$10,000~~ \$14,000, or both; or

(c) If the course of fleeing results in substantial bodily harm, to imprisonment for not more than ~~three~~ five years or to payment of a fine of not more than ~~\$5,000~~ \$10,000, or both.

Sec. 26. Minnesota Statutes 1988, section 609.576, is amended to read:

**609.576 [NEGLIGENT FIRES.]**

Whoever is culpably negligent in causing a fire to burn or get out of control thereby causing damage or injury to another, and as a result thereof:

(a) a human being is injured and great bodily harm incurred, is guilty of a crime and may be sentenced to imprisonment of not more than ~~three~~ five years or to a fine of not more than ~~\$5,000~~ \$10,000, or both; or

(b) property of another is injured, thereby, is guilty of a crime and may be sentenced as follows:

(1) to imprisonment for not more than 90 days or to payment of a fine of not more than \$700, or both, if the value of the property damage is under \$300;

(2) to imprisonment for not more than one year, or to a fine of \$3,000 or both, if the value of the property damaged is at least \$300 but is less than \$10,000;

(3) to imprisonment for not less than 90 days nor more than three years, or to a fine of not more than \$5,000, or both, if the value of the property damaged is \$10,000 or more.

Sec. 27. Minnesota Statutes 1988, section 609.62, subdivision 2, is amended to read:

Subd. 2. [ACTS CONSTITUTING.] Whoever, with intent to defraud, does any of the following may be sentenced to imprisonment for not more than ~~two~~ three years or to payment of a fine of not more than ~~\$4,000~~ \$6,000, or both:

(1) Conceals, removes, or transfers any personal property in which the actor knows that another has a security interest; or

(2) Being an obligor and knowing the location of the property refuses to disclose the same to an obligee entitled to possession thereof.

Sec. 28. Minnesota Statutes 1988, section 609.86, subdivision 3, is amended to read:

Subd. 3. [SENTENCE.] Whoever commits commercial bribery may be sentenced as follows:

(1) To imprisonment for not more than ~~three five~~ years or to payment of a fine of not more than ~~\$5,000~~ \$10,000, or both, if the value of the benefit, consideration, compensation or reward is greater than \$500;

(2) In all other cases where the value of the benefit, consideration, compensation or reward is \$500 or less, to imprisonment for not more than 90 days or to payment of a fine of not more than \$700; provided, however, in any prosecution of the value of the benefit, consideration, compensation or reward received by the defendant within any six-month period may be aggregated and the defendant charged accordingly in applying the provisions of this subdivision; provided that when two or more offenses are committed by the same person in two or more counties, the accused may be prosecuted in any county in which one of the offenses was committed, or all of the offenses aggregated under this clause.

**Sec. 29. [638.025] [COMMUTATION OF LIFE SENTENCE FOR FIRST DEGREE MURDER.]**

A person convicted of murder in the first degree and serving a mandatory sentence of life imprisonment without possibility of supervised release may apply to the board of pardons for a commutation of sentence only if the person has served at least 30 years in prison. After considering the person's application under the procedures set forth in this chapter, the board shall either (1) grant the application and commute the person's sentence to a term of years, (2) deny the application, or (3) deny commutation of the person's life imprisonment sentence, but authorize the commissioner of corrections to grant the person supervised release as provided in section 244.05 and the commissioner's rules.

**Sec. 30. [SENTENCING GUIDELINES COMMISSION; STUDY OF MANDATORY MINIMUM SENTENCING LAW.]**

The sentencing guidelines commission shall study sentencing practices under section 609.11 to determine the following issues:

(1) whether prosecutors are complying with the statute's requirement to place on the record any evidence tending to show that a gun or dangerous weapon was used to commit an offense listed in section 609.11, subdivision 9;

(2) whether courts are complying with the statute's requirement to determine on the record the question of whether a gun or dangerous weapon was used to commit an offense listed in section 609.11, subdivision 9;

(3) the number of cases in which a prosecutor files a motion under section 609.11, subdivision 8, seeking waiver of the mandatory

minimum sentence, the reasons given in these cases to support the motion, and the disposition of these motions; and

(4) the number of cases in which the court, on its own motion, sentences a defendant without regard to the mandatory minimum sentence, the reasons given in these cases for the court's departure, and the sentences pronounced by the court.

The commission shall submit a written report to the legislature on or before February 1, 1991, summarizing its findings on this study and recommending any changes necessary to improve the operation of section 609.11.

Sec. 31. [EFFECTIVE DATE.]

Sections 1 to 7 and 9 to 29 are effective August 1, 1989, and apply to crimes committed on or after that date. Sections 8 and 30 are effective June 1, 1989."

Delete the title and insert:

"A bill for an act relating to crime; providing for life imprisonment without supervised release for persons convicted of first degree murder; authorizing the board of pardons to commute these life sentences after the person has served 30 years in prison; expanding the crime of first degree murder to include certain drug-related homicides; imposing mandatory minimum sentences on persons convicted of second or third degree murder; increasing statutory maximum sentences for a number of crimes; clarifying certain sentencing provisions; amending Minnesota Statutes 1988, sections 169.09, subdivision 14; 243.05, subdivision 1; 244.05, subdivisions 4 and 5; 297D.09, subdivision 1a; 299F.80, subdivision 1; 325D.56, subdivision 2; 609.11, subdivision 7; 609.185; 609.19; 609.195; 609.205; 609.221; 609.222; 609.223; 609.2231, subdivision 1; 609.255, subdivision 3; 609.2665; 609.267; 609.323, subdivision 1; 609.345, subdivision 2; 609.377; 609.445; 609.48, subdivision 4; 609.487, subdivision 4; 609.576; 609.62, subdivision 2; and 609.86, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 638."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Nelson, C., from the Committee on Agriculture to which was referred:

H. F. No. 91, A bill for an act relating to agriculture; authorizing

a grant for the further study of the culture of shiitake mushrooms in Minnesota; appropriating money.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 121, A bill for an act relating to veterans; requiring the commissioner of veterans affairs to provide certain grave markers; appropriating money; amending Minnesota Statutes 1988, section 197.23.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Beginch from the Committee on Labor-Management Relations to which was referred:

H. F. No. 489, A bill for an act relating to public employment; regulating fair share fees, unfair labor practices, arbitration procedures and grievance procedures; amending Minnesota Statutes 1988, sections 179A.03, subdivision 7; 179A.06, subdivision 3; 179A.13, subdivision 1; 179A.14, subdivision 1; 179A.16, subdivisions 1, 2, and 3; 179A.20, subdivision 4; repealing Laws 1984, chapter 654, article 2, section 116.

Reported the same back with the following amendments:

Page 1, after line 10, insert:

"Section 1. Minnesota Statutes 1988, section 179.02, is amended by adding a subdivision to read:

Subd. 4. The commissioner shall maintain a roster of persons suited and qualified by training and experience to act as arbitrators of labor disputes and shall provide parties to a labor dispute with the names of persons on the roster upon written request. The commissioner shall adopt rules governing appointments to, removals from, and administration of this roster."

Page 2, after line 1, insert:

"Sec. 3. Minnesota Statutes 1988, section 179A.05, subdivision 6, is amended to read:

Subd. 6. [~~LIST OF ARBITRATORS ADMINISTRATION OF ARBITRATOR ROSTER.~~] The board shall maintain a list of names of arbitrators qualified by experience and training in the field of labor management negotiations and arbitration. Names on the list may be selected and removed at any time by a majority of the board. In maintaining the list the board shall, to the maximum extent possible, select persons from varying geographical areas of the state. The board shall adopt rules under chapter 14 governing the administration of the arbitration roster."

Page 4, line 17, after "employer" insert "of a unit of employees of other than essential employees"

Page 5, line 36, delete "final"

Page 6, after line 2, insert:

"Sec. 10. Minnesota Statutes 1988, section 179A.16, subdivision 4, is amended to read:

Subd. 4. [CONSTRUCTION OF ARBITRATION PANEL.] The board shall provide the parties to the interest arbitration a list of seven arbitrators. ~~In submitting names of arbitrators to the parties, the board shall try to include names of persons from the geographical area in which the public employer is located. The parties shall, under the direction of the chair of the board, alternately strike names from the list of arbitrators until only three names remain, or if requested by either party, until only a single arbitrator remains, unless the parties request and mutually agree to utilize a panel of three arbitrators. If the parties are unable to agree on who shall strike the first name, the question shall be decided by the flip of a coin. The arbitrator or arbitrators remaining after the striking procedure constitute the arbitration panel.~~

Page 6, line 7, after "all" insert "written"

Page 6, delete lines 12 to 17

Page 6, delete section 9

Page 7, line 1, delete "9" and insert "11"

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 2, delete "public".

Page 1, line 5, after "sections" insert "179.02, by adding a subdivision," and before "179A.06," insert "179A.05, subdivision 6,"

Page 1, line 7, delete "and 3" and insert "3, and 4"

Page 1, line 8, before "179A.20," insert "and" and delete "; repealing Laws 1984, chapter" and insert a period

Page 1, delete line 9

With the recommendation that when so amended the bill pass.

The report was adopted.

Begin from the Committee on Labor-Management Relations to which was referred:

H. F. No. 520, A bill for an act relating to state government; restricting additional types of payroll deductions for state employees; proposing coding for new law in Minnesota Statutes, chapter 16A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [16A.135] [EMPLOYEE BENEFIT PAYROLL DEDUCTIONS.]

In addition to payroll deductions authorized by statute, payroll deductions may be started under the terms of a collective bargaining agreement entered into by the commissioner of employee relations and an exclusive representative of state employees or a compensation plan adopted under section 43A.18. The commissioner of finance may implement an agreement or compensation plan that provides for payroll deductions. Section 181.06, subdivision 1 does not apply to payroll deductions authorized under this section."

Amend the title as follows:

Page 1, line 2, delete "restricting" and insert "permitting"

With the recommendation that when so amended the bill pass.

The report was adopted.

Nelson, C., from the Committee on Agriculture to which was referred:

H. F. No. 623, A bill for an act relating to agriculture; appropriating money for farm and small business management programs at technical institutes.

Reported the same back with the following amendments:

Page 1, line 14, delete the second "and"

Page 1, delete line 15 and insert:

"(3) new staff for farm and small business management and beginning farmer programs; and

(4) evaluation of present available farm business analysis systems."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 799, A bill for an act relating to veterans; changing admissions, removal, and utilization review procedures for veterans homes; granting rulemaking authority to the veterans homes board; changing certain rights and presumptions; amending Minnesota Statutes 1988, sections 198.003; 198.007; 198.022; 198.03; and 198.32; proposing coding for new law in Minnesota Statutes, chapter 198.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 198.003, is amended to read:

198.003 [POWERS AND DUTIES.]

(a) It is the duty of the board and the board has the power to:

(1) determine policy and, subject to chapter 14, adopt, amend, and repeal rules for the governance of the homes, and to adopt emergency rules necessary to implement this chapter;

(2) report quarterly to the governor on the management, operations, and quality of care provided at the homes; and

(3) take other action as provided by law.

(b) The board may appoint a deputy commissioner who shall serve as secretary of the board.

Sec. 2. Minnesota Statutes 1988, section 198.007, is amended to read:

**198.007 [QUALITY ASSURANCE.]**

The board shall create a utilization review committee for each home comprised of the appropriate professionals employed by or under contract to the home. The committee shall use the case-mix system established under section 144.072 to assess the appropriateness and quality of care and services provided residents of the homes.

The board shall create an admissions committee for each home comprised of the appropriate professionals employed by or under contract to each home and adopt a preadmission screening program, such as the one established under section 256B.091, for all applicants for admission to the homes who may require nursing or boarding care, taking into account the eligibility requirements in section 198.022, the admissions criteria established by board rules, and the availability of space in the homes.

Sec. 3. Minnesota Statutes 1988, section 198.022, is amended to read:

**198.022 [ELIGIBILITY OF SPOUSES, SURVIVING SPOUSES, PARENTS.]**

The board is authorized to admit eligible spouses of those veterans who are or if living would be, eligible for admission to the homes.

(1) Except as provided in section 198.03, all applicants for admission to one of the Minnesota veterans home homes must be without adequate means of support and unable by reason of wounds, disease, old age, or infirmity to properly maintain themselves.

(2) Veterans must have served in a Minnesota regiment or have been credited to the state of Minnesota, or have been a resident of the state preceding the date of application for admission.

(3) Spouses and surviving spouses of eligible veterans must be at least 55 years of age, and have been residents of the state of Minnesota preceding the date of application for admission, and meet

the criteria for admission to a home established in the rules of the home in accordance with this chapter and the applicable statutes and rules of the department of health.

Sec. 4. Minnesota Statutes 1988, section 198.03, is amended to read:

**198.03 [MAINTENANCE CHARGES.]**

**Subdivision 1. [DISCRETIONARY ADMISSION.]** Any person otherwise eligible for admission to the Minnesota veterans homes, except that the person has means of support, may, at the discretion of the board, be admitted to one of the Minnesota veterans homes upon entering into and complying with the terms of a contract made by the person with the board, providing for reasonable compensation to be paid by such person to the state of Minnesota for care, support, and maintenance in the home. Any earnings derived by the person from participating in a work therapy program while the person is a resident of the home may not be considered a means of support.

**Subd. 2. [COST OF CARE.]** The board shall set out in rules the method of calculating the average cost of care for the domiciliary and nursing care residents. The cost must be determined yearly based upon the average cost per resident taking into account, but not limited to, administrative cost of the homes, the cost of service available to the resident, and food and lodging costs. These average costs must be calculated separately for domiciliary and nursing care residents. The amount charged each resident for maintenance, if anything, must be based on the appropriate average cost of care calculation and the assets and income of the resident but must not exceed the appropriate average cost of care.

**Subd. 3. [ARREARAGES.]** Nothing in this section forgives a resident from paying overdue maintenance charges, with interest as provided in section 334.01, that accrued prior to the effective date of this section, and residents are liable for these arrearages. If the resident pays a reasonable monthly amount on the arrearages, as determined by the home administrator, the resident must not be discharged from the home because of arrearages that accrued prior to the effective date of this section.

**Sec. 5. [198.045] [DISCHARGE.]**

**Subdivision 1. [STAY.]** An appeal to the court of appeals does not automatically stay a discharge order. The administrator or the utilization review committee may, however, in its sole discretion, stay the order of discharge until a final decision has been issued by the court of appeals.

**Subd. 2. [COURT ORDER.]** If a resident who is ordered discharged

from a home refuses to leave the home, the administrator of the home may apply to the district court for an order enforcing the administrative order of discharge. The district court shall order the sheriff of the county in which the home is located to remove the resident from the home and authorize the administrator to remove the resident's property from the resident's room and hold it until it can be returned to the resident.

Sec. 6. Minnesota Statutes 1988, section 198.32, is amended to read:

198.32 [VETERANS HOME; COMPLAINTS; RESIDENT'S RIGHTS.]

Subdivision 1. [RESIDENT'S RIGHTS.] A resident of a Minnesota veterans home has the right to complain and otherwise exercise freedom of expression and assembly which is guaranteed by amendment I of the United States Constitution. The administrator of the home shall inform each resident in writing at the time of admission of the right to complain to the administrator about home accommodations and services. A notice of the right to complain shall be posted in the home. The administrator shall also inform each resident of the right to complain to the board or to the commissioner of veterans affairs. Each resident of a home shall be encouraged and assisted, throughout the period of stay in the home, to understand and exercise the rights of freedom of expression and assembly as a resident and as a citizen, and, to this end, the resident may voice grievances and recommend changes in policies and services to home staff, other residents, and outside representatives of the resident's choice, free from restraint, interference, coercion, discrimination, or reprisal, including retaliatory eviction. A resident of a home may not be denied any tenant rights available under chapter 566, including the right to recover possession of the premises.

Subd. 2. [RETALIATION PROHIBITED.] An administrator may not retaliate against any resident who exercises the right to voice grievances by evicting the resident. There shall be a rebuttable presumption that any eviction within 45 days of the exercise by a resident of the right to voice grievances is retaliatory. This presumption does not apply in favor of a resident who has failed to pay maintenance fees unless the resident pays the overdue fees.

Sec. 7. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Amend the title as follows:

Page 1, line 2, delete "removal" and insert "discharge"

Page 1, line 5, delete "certin" and insert "certain"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 866, A bill for an act relating to the city of Mankato; authorizing the establishment of special service districts in the city.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 892, A bill for an act relating to public safety; changing the definition of "dwelling"; authorizing more stringent local smoke detector requirements; creating the position of public fire safety educator; appropriating money; amending Minnesota Statutes 1988, section 299F.362, subdivisions 1, 9, and by adding a subdivision.

Reported the same back with the following amendments:

Page 2, line 20, strike "shall" and insert "may"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 921, A bill for an act relating to the city of Hopkins; authorizing the establishment of special service districts.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Nelson, C., from the Committee on Agriculture to which was referred:

H. F. No. 934, A bill for an act relating to agriculture; maintaining uniformity with certain federal food law provisions; amending Minnesota Statutes 1988, sections 31.101; 31.102, subdivision 1; 31.103, subdivision 1; and 31.104.

Reported the same back with the following amendments:

Page 4, after line 2, insert:

"Sec. 5. Minnesota Statutes 1988, section 31.11, is amended to read:

### 31.11 [RULES.]

Subdivision 1. [FOOD LAWS.] For the purpose of preventing fraud and deception in the manufacture, use, sale, and transportation of food, or for the purpose of protecting and preserving the public health, it shall also be the duty of the commissioner to make and publish uniform rules, not inconsistent with law, for carrying out and enforcing the provisions of laws now or hereafter enacted relating to food; which rules shall be made in the manner provided by law. Until such rules are made and published, the rules heretofore made by the commissioner shall remain in full force and effect, except as otherwise prescribed by law. Any person who shall manufacture, use, sell, transport, offer for use, sale or transportation, or have in possession with intent to use, sell or transport, any article of food contrary to the provisions of any such rule, or who shall fail to comply with any such rule, shall be guilty of a misdemeanor.

Subd. 2. [PLAN REVIEW FEES.] The commissioner may, by rule, set plan review fees that will approximate the cost to the department of its review of plans and specifications submitted by food handlers.

There is created in the state treasury an account known as the food handler plan review fund. Fees paid under this subdivision must be deposited in the food handler plan review fund. Money in the food handler plan review fund is annually appropriated to the commissioner to pay the costs of the food handler plan and specifications review program."

Amend the title as follows:

Page 1, line 3, after the semicolon insert "providing for fees for review of certain plans; establishing a food handler plan review fund; appropriating money;"

Page 1, line 5, delete "and" and after "31.104" insert "; and 31.11"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 988, A bill for an act relating to local government; changing conditions for the establishment and operation of special service districts in Sartell, Sauk Rapids, St. Cloud, Isle, Mora, Becker, and Waite Park; amending Laws 1985, chapter 301, sections 5, subdivision 5; 7, subdivision 1; 9; 12; and 13, subdivision 2; repealing Laws 1985, chapter 301, section 7, subdivision 4.

Reported the same back with the following amendments:

Page 3, line 14, before "No" insert "Subdivision 1. [CERTAIN CITIES.] This subdivision applies in the cities of Sartell, Sauk Rapids, Isle, Mora, Becker, and Waite Park."

Page 3, lines 16 to 31, reinstate the stricken language and delete the new language

Page 3, lines 17 and 24, strike "assessed value" and insert "net tax capacity"

Page 4, after line 4 insert:

"Subd. 2. [ST. CLOUD.] This subdivision applies in the city of St. Cloud. No action may be taken pursuant to section 6 unless owners of 15 percent or more of the land area of the proposed special service district, owners of 15 percent or more of the net tax capacity of the proposed district, or either 15 percent of the individuals resident or business organizations located in the proposed area file a petition requesting a public hearing on the proposed action with the city clerk. No action may be taken pursuant to section 7 to impose an ad valorem tax unless the class of persons who petitioned for establishment of the district file a petition requesting a public hearing on the proposed action with the city clerk. No action may be taken pursuant to section 7 to impose a service charge unless the class of persons who petitioned for establishment of the district file a petition requesting a public hearing on the proposed action with the city clerk. If the boundaries of a proposed district are changed or the land area or net tax capacity subject to a tax or the individuals or business organizations subject to a service charge are changed after the public hearing, a petition meeting the requirements of this

section must be filed with the city clerk before the ordinance establishing the district or resolution imposing the tax or service charge may become effective."

Page 4, line 7, after "VETO" insert "; CERTAIN CITIES" and before "If" insert "This subdivision applies in the cities of Sartell, Sauk Rapids, Isle, Mora, Becker, and Waite Park." and reinstate the stricken "35" and delete "50"

Page 4, lines 8, 13, 14, and 18, reinstate the stricken "35" and delete "50"

Page 4, after line 23, insert:

"Sec. 6. Laws 1985, chapter 301, section 13, is amended by adding a subdivision to read:

Subd. 3. [REQUIREMENT FOR VETO; ST. CLOUD.] This subdivision applies in the city of St. Cloud. If owners of 50 percent of the land area in the district or owners of 50 percent of the net tax capacity in the district file an objection to the ordinance adopted by the city pursuant to section 6 with the city clerk before the effective date of the ordinance, the ordinance shall not become effective. If owners of 50 percent of the land area subject to a tax or owners of 50 percent of the net tax capacity subject to a tax file an objection to the resolution adopted levying an ad valorem tax pursuant to section 7 with the city clerk before the effective date of the resolution, the resolution shall not become effective. If 50 percent of individuals and business organizations subject to a service charge file an objection to the resolution adopted imposing a service charge pursuant to section 7 with the city clerk before the effective date of the resolution, the resolution shall not become effective."

Page 4, line 29, delete "cities" and insert "city of"

Page 4, delete line 30 and insert "St. Cloud"

Page 4, line 31, delete "Waite Park"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "Sartell, Sauk Rapids," and delete " , Isle,"

Page 1, line 5, delete "Mora, Becker, and Waite Park"

Page 1, line 7, after "2" insert " , and by adding a subdivision"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 1056, A bill for an act relating to utilities; regulating noncompetitive and competitive telephone services; amending Minnesota Statutes 1988, sections 237.07; 237.081; 237.295, subdivisions 1 and 2; 237.57, subdivision 1; 237.58, subdivision 1; 237.59, subdivisions 1, 2, 3, and 6; 237.60, subdivisions 1 and 2; 237.62, subdivisions 1 and 2, and by adding a subdivision; 237.63, subdivision 1, and by adding subdivisions; and 237.64, subdivisions 1 and 2; Laws 1987, chapter 340, section 26; proposing coding for new law in Minnesota Statutes, chapter 237; repealing Minnesota Statutes 1988, sections 237.075, subdivision 1a; and 237.081, subdivision 3.

Reported the same back with the following amendments:

Page 14, line 9, after "shall" insert "treat both investments and related costs as though they are providing noncompetitive services and shall"

Page 17, line 4, delete "may" and insert "shall"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1065, A bill for an act relating to judicial administration; providing for the transfer of referees, judicial officers, court reporters, law clerks, and district administration staff from county to state employment; providing that guardians ad litem are county employees for purposes of tort claims and clarifying tort liability for other court employees; providing for inclusion of the second and fourth judicial districts in the public defender system; providing for appointment of public defenders in the second and fourth judicial districts; authorizing the supreme court to adopt transition rules; appropriating money; amending Minnesota Statutes 1988, sections 3.732, subdivision 1; 43A.02, subdivision 25; 43A.24, subdivision 2; 352.01, subdivision 2b; 353.01, subdivision 2a; 466.01, subdivision 6; 484.545, subdivisions 1, 2, and 3; 484.62; 484.64, subdivision 3; 484.65, subdivisions 3 and 7; 484.68, subdivision 5; 486.05; 486.055; 486.06; 487.08, subdivision 5; and 611.26, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 480 and 611;

repealing Minnesota Statutes 1988, sections 383B.63, subdivisions 4 and 5; 486.07; 488A.05; 488A.111; 488A.22; 488A.281; 611.12; and 611.214; and Laws 1975, chapter 258, section 6, subdivisions 1, 3, 4, and 5.

Reported the same back with the following amendments:

Page 17, after line 17, insert:

"Sec. 20. [631.021] [SPEEDY CRIMINAL TRIALS; CASE DISPOSITION OBJECTIVES.]

The judges of each judicial district shall adopt and administer rules or procedures to ensure that, on and after July 1, 1994, the following timing objectives for the disposition of criminal cases are met by judges within the district:

(1) 90 percent of all criminal cases shall be disposed of within 120 days;

(2) 97 percent of all criminal cases shall be disposed of within 180 days; and

(3) 99 percent of all criminal cases shall be disposed of within 365 days.

The time periods referred to in clauses (1) to (3) shall be measured from the date on which the criminal complaint is filed, to the date on which the defendant is either found not guilty or is sentenced. If the criminal case is commenced by indictment rather than by a criminal complaint, the time period shall be measured from the date on which the indictment is returned.

Sec. 21. [COURT MANAGEMENT PLAN.]

On or before January 1, 1990, the judges of each judicial district shall prepare a written caseload management plan for implementing the goal of ensuring the right to speedy trial in criminal cases and the expeditious disposition of civil cases. The plan must discuss current caseloads in each judicial district and the time necessary to dispose of the various types of cases, including felonies, gross misdemeanors, misdemeanors, marriage dissolution and other family law matters, probate, juvenile, general civil matters, and conciliation court matters. The plan must be based on the assumption that the judicial and staff resources that will be available are those available on July 1, 1989.

In addition to preparing a caseload management plan, the judges of each judicial district shall make written recommendations for any changes in rules of procedure or statutes affecting procedure which

they find would improve the expeditious disposition of criminal and civil cases in the district courts.

A copy of the caseload management plan, including any recommendations for changes in rules of procedure or statutes affecting procedure, shall be filed with the state court administrator and the chairs of the judiciary committees in the house of representatives and in the senate on or before January 1, 1990.

Sec. 22. [CRIMINAL COURTS STUDY COMMISSION.]

The supreme court shall establish a commission to study ways to more expeditiously dispose of criminal cases in the district courts, in a manner that preserves the interest of both the defendant and the state in having a fair and just outcome. The commission shall consist of sufficient members to provide adequate representation of the viewpoints and experience of judges, prosecutors, and defense attorneys involved in the disposition of criminal matters. The commission may establish advisory groups to focus on specific areas of practice, such as juvenile law.

The commission study shall include the following:

(1) whether model proposals or rules and statutes from other jurisdictions provide any alternatives that might be followed to modify the rules of criminal procedure and statutes affecting criminal procedure in ways that would simplify procedures without sacrificing fair outcome;

(2) whether certain kinds of offenses, such as traffic petty misdemeanors and housing code violations, might be better processed if the only possible sentence were a fine rather than incarceration, if a referee or administrative officer rather than a judge presided, and if no prosecuting attorney was involved, with the option of enhancing the matter to a misdemeanor if prior judgments have been entered against a party;

(3) whether the petty misdemeanor category should be expanded to replace current misdemeanor offenses in some instances, with criteria for enhancing a petty misdemeanor to a misdemeanor in specified circumstances; and

(4) whether other administrative or legislative action can be taken to facilitate the expeditious disposition of criminal cases without sacrifice of due process of law.

The commission shall report its conclusions to the supreme court on or before January 1, 1991."

Page 18, line 4, after the period, insert "The supreme court shall

also study the right to legal counsel in juvenile justice matters and recommend criteria for that right to the legislature by July 1, 1990."

Page 19, line 3, strike "August" and insert "November"

Page 19, line 7, delete "third" and insert "fourth"

Page 19, line 8, delete "fourth" and insert "third"

Page 20, line 6, delete "1992, whichever date is later" and insert "1991"

Renumber the remaining sections

Correct internal references

Amend the title as follows:

Page 1, line 13, after the first semicolon insert "requiring a court management plan; establishing a criminal court study commission; requiring criminal case disposition objectives;"

Page 1, line 22, delete "and 611" and insert "; 611; and 631"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

S. F. No. 286, A bill for an act relating to the military; clarifying the authority of the adjutant general to establish the pay grade for certain staff positions; amending Minnesota Statutes 1988, section 190.08, subdivision 6.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming reported on the following appointment which had been referred to the committee by the Speaker:

## ETHICAL PRACTICES BOARD

WILLIAM HEANEY

Reported the same back with the recommendation that the appointment be confirmed.

Kostohryz moved that the report of the Committee on General Legislation, Veterans Affairs and Gaming relating to the appointment of William Heaney to the Ethical Practices Board be adopted. The motion prevailed and the report was adopted.

## CONFIRMATION

Kostohryz moved that the House, having advised, do now consent to and confirm the appointment of William Heaney, 414 Nicollet Mall, Minneapolis, Hennepin County, effective January 30, 1989, for a term expiring the first Monday in January, 1993. The motion prevailed and the appointment of William Heaney was confirmed by the House.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 489, 520 and 1056 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. No. 286 was read for the second time.

INTRODUCTION AND FIRST READING  
OF HOUSE BILLS

The following House Files were introduced:

Segal introduced:

H. F. No. 1337, A bill for an act relating to crimes; prohibiting certain paramilitary training; imposing a penalty; proposing coding for new law in Minnesota Statutes, chapter 624.

The bill was read for the first time and referred to the Committee on Judiciary.

Conway, O'Connor, Bennett, Sarna and Frederick introduced:

H. F. No. 1338, A bill for an act relating to motor vehicles; restricting access to registration information concerning passenger automobile lessees; amending Minnesota Statutes 1988, section 168.345.

The bill was read for the first time and referred to the Committee on Commerce.

Simoneau and Jacobs introduced:

H. F. No. 1339, A bill for an act relating to agricultural societies; permitting county board members to serve on societies; amending Minnesota Statutes 1988, section 38.04.

The bill was read for the first time and referred to the Committee on Agriculture.

Carlson, D., introduced:

H. F. No. 1340, A bill for an act relating to horse racing; regulating the medication of horses; amending Minnesota Statutes 1988, section 240.24, subdivision 2.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Rest, Long, Valento and Schreiber introduced:

H. F. No. 1341, A bill for an act relating to tax increment financing; imposing restrictions on the collection and expenditure of tax increments; amending Minnesota Statutes 1988, sections 469.174, subdivision 10, and by adding a subdivision; 469.176, subdivision 1, and by adding a subdivision; 469.177, subdivision 10; and Laws 1988, chapter 719, article 12, section 30, as amended; proposing coding for new law in Minnesota Statutes, chapter 469.

The bill was read for the first time and referred to the Committee on Taxes.

Carruthers and Scheid introduced:

H. F. No. 1342, A bill for an act relating to retirement; repealing the local laws governing the Brooklyn Center firemen's relief association; repealing Laws 1967, chapter 815, as amended.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Carruthers and Scheid introduced:

H. F. No. 1343, A bill for an act relating to retirement; volunteer firefighters; excluding volunteer firefighters serving with the Brooklyn Center fire department from the definition of public employee.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Valento introduced:

H. F. No. 1344, A bill for an act relating to taxation; allocating motor vehicle excise tax revenues; amending Minnesota Statutes 1988, section 297B.09, subdivision 1.

The bill was read for the first time and referred to the Committee on Transportation.

Wagenius and Vellenga introduced:

H. F. No. 1345, A bill for an act relating to juvenile court; providing that foster parents may participate in juvenile court proceedings under certain circumstances; amending Minnesota Statutes 1988, section 260.155, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

Segal and Ogren introduced:

H. F. No. 1346, A bill for an act relating to human services; providing for coordination of child and family services; establishing the position of assistant commissioner for child and family services; authorizing grants for demonstration resource centers; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 245.

The bill was read for the first time and referred to the Committee on Health and Human Services.

O'Connor introduced:

H. F. No. 1347, A bill for an act relating to the state patrol; appointment powers of the chief supervisor; amending Minnesota Statutes 1988, sections 299D.01, subdivisions 2 and 3; and 299D.03, subdivision 12.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Seaberg introduced:

H. F. No. 1348, A bill for an act relating to courts; providing that the prosecuting political subdivision shall be responsible for the payment of prosecution witness fees in criminal and juvenile cases; amending Minnesota Statutes 1988, sections 357.24; 357.241; and 357.32.

The bill was read for the first time and referred to the Committee on Judiciary.

Seaberg introduced:

H. F. No. 1349, A bill for an act relating to public safety; providing for "promise to appear" procedure for certain violations of motor vehicle laws; amending Minnesota Statutes 1988, sections 169.91, subdivisions 1 and 3; 169.92; 169.99, subdivision 2; and 171.01, subdivision 3.

The bill was read for the first time and referred to the Committee on Judiciary.

O'Connor; Johnson, R.; Sarna and Nelson, C., introduced:

H. F. No. 1350, A bill for an act relating to retirement; improving the annuity and disability formulas and authorizing early retirement at reduced annuities for highway patrol officers; amending Minnesota Statutes 1988, sections 352B.08, subdivision 2, and by adding a subdivision; and 352B.10, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Morrison and Price introduced:

H. F. No. 1351, A bill for an act relating to local government; permitting the Dakota and Washington county housing and redevelop-

opment authorities to waive performance bonds for single family housing construction; amending Laws 1971, chapter 333; and Laws 1974, chapter 475.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Quinn, Jacobs and Runbeck introduced:

H. F. No. 1352, A bill for an act relating to intoxicating liquor; authorizing the city of Blaine to issue one additional on-sale license.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Carruthers, Skoglund and Pugh introduced:

H. F. No. 1353, A bill for an act relating to insurance; requiring insurers to pay the insured's deductible first when recovering from an uninsured motorist under a subrogation claim; amending Minnesota Statutes 1988, section 72A.201, subdivision 6.

The bill was read for the first time and referred to the Committee on Insurance.

Carruthers, Skoglund and Pugh introduced:

H. F. No. 1354, A bill for an act relating to insurance; prohibiting insurance companies from terminating agents who contact the commerce department; amending Minnesota Statutes 1988, section 72A.20, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Insurance.

Carruthers, Kelly, Pugh and Wagenius introduced:

H. F. No. 1355, A bill for an act relating to probate; modifying provisions for the award of sentimental property and family allowances; amending Minnesota Statutes 1988, sections 525.151; and 525.152.

The bill was read for the first time and referred to the Committee on Judiciary.

Jacobs and Quinn introduced:

H. F. No. 1356, A bill for an act relating to economic development; designating a medical enterprise park opportunity zone in the city of Coon Rapids; providing tax benefits for the zone; appropriating money.

The bill was read for the first time and referred to the Committee on Economic Development.

Jacobs introduced:

H. F. No. 1357, A bill for an act relating to taxation; liquor; changing the time limit for certain claims for refund; amending Minnesota Statutes 1988, section 297C.06, subdivisions 2 and 5.

The bill was read for the first time and referred to the Committee on Taxes.

Jacobs and Quinn introduced:

H. F. No. 1358, A bill for an act relating to charitable gambling; permitting organizations to treat legal expenses as an allowable expense; amending Minnesota Statutes 1988, section 349.15.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Bauerly, McEachern, Dauner and Bertram introduced:

H. F. No. 1359, A bill for an act relating to education; providing for secondary vocational aid and programs; amending Minnesota Statutes 1988, section 124.573, subdivision 2b, and by adding subdivisions.

The bill was read for the first time and referred to the Committee on Education.

Blatz introduced:

H. F. No. 1360, A bill for an act relating to taxation; property; extending the homestead and agricultural credit to taxes payable after 1989; abolishing transition aid, disparity aid, and other aids and credits; repealing increases in income maintenance payments; amending Minnesota Statutes 1988, sections 124.155, subdivision 2; 124.2131, subdivision 3; 124.2139; 124A.02, subdivision 3a; 256.01, subdivision 2; 256.72; 256.81; 256.82, subdivision 1; 256.863;

256.871, subdivision 6; 256.935, subdivision 1; 256.991; 256B.041, subdivisions 5 and 7; 256B.05, subdivision 1; 256B.091, subdivision 8; 256B.15; 256B.19, subdivisions 1 and 2; 256D.03, subdivisions 2 and 6; 256D.04; 256D.36, subdivision 1; 256G.01, subdivision 3; 256G.02, subdivision 4; 256G.04, subdivision 1; 256G.05; 256G.07; 256G.10; 256G.11; 273.123, subdivisions 4 and 5; 273.124, subdivisions 11 and 13; 273.13, subdivisions 22 and 23; 273.132, subdivisions 1, 2, and 5; 273.135, subdivision 2; 273.1391, subdivision 2; 273.1392; 273.165, subdivision 2; 275.065, subdivision 2; 275.07, subdivision 1; 275.08, subdivisions 1a and 1b; 275.50, subdivision 5; 275.51, subdivisions 3f and 3h; 276.04, subdivision 2; 290A.04, subdivision 2; 393.07, subdivisions 2 and 10; 473.446, subdivision 1; 473F.02, subdivision 23; 473F.05; 473F.06; 473F.07, subdivisions 1, 4, and 5; 473F.08, subdivisions 1, 2, 3a, 4, 5, 6, and 10; 473F.10; 477A.011, subdivisions 15, 20, and 21; and 477A.013, subdivision 3; Laws 1988, chapter 719, article 5, sections 81 and 84; repealing Minnesota Statutes 1988, sections 256.017; 256.018; 256.019; 273.13, subdivision 21a; 273.135, subdivision 2a; 273.1391, subdivision 2a; 273.1398; 275.07, subdivision 3; 275.08, subdivision 1c; 290A.04, subdivision 2b; and Laws 1988, chapter 719, article 8, sections 32, 33, 34, 35, and 36.

The bill was read for the first time and referred to the Committee on Taxes.

Schreiber, Rest, Jacobs and Himle introduced:

H. F. No. 1361, A bill for an act relating to taxation; individual income; allowing a credit for alternative minimum tax paid on deferral preferences in prior years; amending Minnesota Statutes 1988, section 290.091, subdivision 2, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Reding; Johnson, R., and Nelson, C., introduced:

H. F. No. 1362, A bill for an act relating to retirement; authorizing payment to retired members of the state patrol retirement fund for the cost of medical and hospital insurance; appropriating money; amending Minnesota Statutes 1988, section 352B.02, subdivisions 1a, 1c, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 352B.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Kelso, Price, Pugh, Segal and Rest introduced:

H. F. No. 1363, A bill for an act relating to education; providing for cost of living differential revenue; appropriating money; amending Minnesota Statutes 1988, section 124A.22, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 124A.

The bill was read for the first time and referred to the Committee on Education.

Hasskamp, McGuire and Weaver introduced:

H. F. No. 1364, A bill for an act relating to adoption; creating a postadoption service and grants program; defining eligibility criteria; providing for certification statement by local social service agency; proposing coding for new law in Minnesota Statutes, chapter 259.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Carruthers, Kelly, Pugh, Blatz and Dempsey introduced:

H. F. No. 1365, A bill for an act relating to meetings of public bodies; government data practices; defining final disposition of a disciplinary action regarding personnel records; making clear that the open meeting law applies to advisory bodies and that meetings may not be closed on the basis of data classification statutes; providing an exception to the open meeting law for preliminary discussions concerning allegations of misconduct against government employees; amending Minnesota Statutes 1988, sections 13.43, subdivision 2; and 471.705, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

Solberg introduced:

H. F. No. 1366, A bill for an act relating to taxation; property; providing a levy limit base adjustment for county agricultural society levies; amending Minnesota Statutes 1988, section 275.51, subdivisions 3f and 3i.

The bill was read for the first time and referred to the Committee on Taxes.

McEachern; Bauerly; Schafer; Olson, K., and Wenzel introduced:

H. F. No. 1367, A bill for an act relating to education; changing education district laws; making education districts eligible to levy and receive aid for general education, community education, early childhood family education, limited English proficiency programs, secondary vocational handicapped programs, and special education; providing for a variance from education district formation requirements; adjusting education district revenue if a member district withdraws; changing requirements for education district board members; allowing member districts to discontinue grades; requiring a common calendar; requiring a five-year plan; specifying minimum community education revenue and early childhood family education revenue for qualifying education districts; prohibiting member school districts and qualifying education districts from receiving revenue for the same programs except special education; allowing qualifying education districts to increase general education levy through a referendum; allowing intermediate districts to levy for special education; capping the interdistrict cooperation levy; amending Minnesota Statutes 1988, sections 121.88; 121.882; 122.91; 122.92; 122.93, by adding subdivisions; 122.94, subdivision 1, and by adding a subdivision; 122.95, by adding a subdivision; 123.34, subdivision 9; 124.17, subdivision 1b; 124.26; 124.271, subdivisions 3, 4, 7, and by adding subdivisions; 124.2711; 124.2721; 124.273; 124.32; 124.574; 124A.22; 124A.23; 124A.24; 124A.26; 124A.27; 124A.28, subdivisions 2 and 3; 124A.29; 275.125, subdivisions 8, 8b, 8c, and 8e; proposing coding for new law in Minnesota Statutes, chapters 122; 124A; and 275; repealing Minnesota Statutes 1988, section 124.271, subdivision 2b; and 124A.22, subdivision 7.

The bill was read for the first time and referred to the Committee on Education.

Onnen; Olsen, S.; Uphus and Sviggum introduced:

H. F. No. 1368, A bill for an act relating to taxation; allocating motor vehicle excise tax revenues; amending Minnesota Statutes 1988, section 297B.09, subdivision 1.

The bill was read for the first time and referred to the Committee on Transportation.

Price; Valento; Beard; Carlson, L., and Abrams introduced:

H. F. No. 1369, A bill for an act relating to education; imposing educational conditions on juveniles to enroll in driver's education courses and to receive driver's permits and licenses; amending Minnesota Statutes 1988, sections 171.04; 171.05, by adding a

subdivision; and 171.18; proposing coding for new law in Minnesota Statutes, chapters 126 and 171.

The bill was read for the first time and referred to the Committee on Education.

Gruenes, Marsh and Carruthers introduced:

H. F. No. 1370, A bill for an act relating to chemical abuse reporting; providing that law enforcement is not required to notify the school chemical abuse preassessment team within two weeks under certain circumstances; amending Minnesota Statutes 1988, section 126.036.

The bill was read for the first time and referred to the Committee on Judiciary.

Neuenschwander, Battaglia and Tunheim introduced:

H. F. No. 1371, A bill for an act relating to taxation; sales; providing an exemption for certain purchases by Canadian residents; amending Minnesota Statutes 1988, section 297A.25, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Pugh, Rest and Macklin introduced:

H. F. No. 1372, A bill for an act relating to probate; providing for a statutory will; enacting the uniform statutory will act; proposing coding as Minnesota Statutes, chapter 524A.

The bill was read for the first time and referred to the Committee on Judiciary.

Pugh and Macklin introduced:

H. F. No. 1373, A bill for an act relating to marriage; setting out the requirements and effect of premarital agreements; enacting the uniform premarital agreement act; amending Minnesota Statutes 1988, section 524.2-204; proposing coding for new law in Minnesota Statutes, chapter 519; repealing Minnesota Statutes 1988, section 519.11.

The bill was read for the first time and referred to the Committee on Judiciary.

Orenstein; Carlson, L.; Poppenhagen; Trimble and Ostrom introduced:

H. F. No. 1374, A bill for an act relating to education; increasing the revenue bonding authorization of the higher education facilities authority; amending Minnesota Statutes 1988, section 136A.29, subdivision 9.

The bill was read for the first time and referred to the Committee on Education.

Schafer, Sviggum and Valento introduced:

H. F. No. 1375, A resolution memorializing Congress of ratification of a proposed amendment to the Constitution of the United States to provide for a delay in an increase in compensation to members of Congress until an intervening election of representatives has occurred.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Carlson, L.; Segal; Morrison; Price and Nelson, K., introduced:

H. F. No. 1376, A bill for an act relating to taxation; providing an income tax exclusion for interest earned on series EE bonds used to meet qualified higher education expenses; amending Minnesota Statutes 1988, section 290.01, subdivision 19b.

The bill was read for the first time and referred to the Committee on Taxes.

Kalis; Seaberg; Anderson, G., and Bishop introduced:

H. F. No. 1377, A bill for an act relating to highways; authorizing the commissioner of transportation to establish the speed limit on marked interstate highway 35E; amending Minnesota Statutes 1988, section 161.1245, subdivision 1.

The bill was read for the first time and referred to the Committee on Transportation.

Price, Trimble, Dorn, Quinn and Kalis introduced:

H. F. No. 1378, A bill for an act relating to education; changing a requirement for teaching in barber school; amending Minnesota Statutes 1988, section 154.065, subdivision 2.

The bill was read for the first time and referred to the Committee on Education.

Trimble, Ogren and Ozment introduced:

H. F. No. 1379, A bill for an act relating to health; establishing notice requirements for emergency medical services personnel who are first responders; providing safeguards for first responders against exposure to infectious diseases; proposing coding for new law in Minnesota Statutes, chapter 144.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Runbeck; Quinn; Morrison; Olsen, S., and Simoneau introduced:

H. F. No. 1380, A bill for an act relating to manufactured homes; regulating brokers and dealers; requiring park owners to give certain information to prospective buyers and prospective sellers; regulating rentals by residents; defining certain terms; amending Minnesota Statutes 1988, sections 327B.09, by adding a subdivision; 327C.01, by adding a subdivision; and 327C.07, subdivisions 1, 2, 3, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Lynch, Conway, Trimble and Jefferson introduced:

H. F. No. 1381, A bill for an act relating to traffic regulations; providing that signs for handicapped parking spaces state penalty imposed for unlawful use; amending Minnesota Statutes 1988, section 169.346, subdivision 2.

The bill was read for the first time and referred to the Committee on Transportation.

Hugoson, Uphus, Steensma, Cooper and Bertram introduced:

H. F. No. 1382, A bill for an act relating to agriculture; funding pseudorabies research and pseudorabies control; appropriating money.

The bill was read for the first time and referred to the Committee on Agriculture.

Segal, Vellenga, Morrison, Kalis and Wagenius introduced:

H. F. No. 1383, A bill for an act relating to traffic regulations; regulating use of seat belts and child passenger restraint systems; amending Minnesota Statutes 1988, section 169.685.

The bill was read for the first time and referred to the Committee on Transportation.

Rest; Nelson, K.; Brown; Henry and Tjornhom introduced:

H. F. No. 1384, A bill for an act relating to crimes; lowering maximum allowable alcohol concentration to 0.05 for crimes involving driving while intoxicated; amending Minnesota Statutes 1988, sections 84.911, subdivision 1; 169.121, subdivisions 1 and 2; 169.123, subdivisions 2, 4, 5a, and 6; 169.129; 192A.555; 361.12, subdivision 4; 361.121, subdivision 1; and 609.21, subdivisions 1, 2, 3, and 4.

The bill was read for the first time and referred to the Committee on Judiciary.

Johnson, R.; Simoneau; Rukavina; O'Connor and Limmer introduced:

H. F. No. 1385, A bill for an act relating to retirement; Minnesota state retirement system; directing payment of Medicare Plan B supplemental medical coverage costs for designated retirees receiving annuities from the system; proposing coding for new law in Minnesota Statutes, chapter 352.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Otis, Sviggum, Peterson and Carlson, D., introduced:

H. F. No. 1386, A bill for an act relating to economic development; transferring programs under the Minnesota agricultural and economic development board to the department of trade and economic development; changing the governing structure of the certified development company; transferring program responsibilities for the allocation of bonding authority to the department of finance; eliminating certain reporting requirements; amending Minnesota Statutes 1988, sections 41A.01; 41A.02, subdivisions 7a, 15, 16, and by adding subdivisions; 41A.021; 41A.022; 41A.023; 41A.03, subdivision 3; 41A.035; 41A.036; subdivisions 1, 4, 5, and 6; 41A.04; 41A.05, subdivisions 1, 2, 3, and 4; 41A.051; 41A.06, subdivisions 2, 4, and 5; 41A.07; 41A.08; 469.175, subdivision 2; and 474A.02,

subdivision 5a; proposing coding for new law in Minnesota Statutes, chapter 116J; repealing Minnesota Statutes 1988, sections 41A.02, subdivision 3; 41A.065; and 469.012, subdivision 5.

The bill was read for the first time and referred to the Committee on Economic Development.

Kahn; Nelson; K.; Hasskamp; Pappas and Weaver introduced:

H. F. No. 1387, A bill for an act relating to education; prohibiting certain punishment in schools; providing for civil liability; proposing coding for new law in Minnesota Statutes, chapter 127.

The bill was read for the first time and referred to the Committee on Education.

Otis, Quinn, Stanius, Milbert and Tjornhom introduced:

H. F. No. 1388, A bill for an act relating to professional hockey games; imposing a civil penalty on team owners for player fights; proposing coding for new law as Minnesota Statutes, chapter 341A.

The bill was read for the first time and referred to the Committee on Judiciary.

Sviggum and Waltman introduced:

H. F. No. 1389, A bill for an act relating to Goodhue county; permitting the county to establish certain payment procedures.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Gruenes, Dorn, Marsh, Pelowski and Girard introduced:

H. F. No. 1390, A bill for an act relating to education; appropriating money to purchase technology equipment.

The bill was read for the first time and referred to the Committee on Education.

Gruenes, Dorn, Henry, Pelowski and Girard introduced:

H. F. No. 1391, A bill for an act relating to education; authorizing academic scholarships for the top five percent of undergraduate

classes; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 136A.

The bill was read for the first time and referred to the Committee on Education.

Conway, Onnen, Lynch, Wynia and Greenfield introduced:

H. F. No. 1392, A bill for an act relating to human services; expanding the powers and duties of the Minnesota council for the hearing impaired; adding staff; appropriating money; amending Minnesota Statutes 1988, section 256C.28, subdivisions 2, 3, and by adding subdivisions.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Milbert, Ozment, Price, Kahn and Pugh introduced:

H. F. No. 1393, A bill for an act relating to air pollution; requiring a fee for certain air emissions; requiring the adoption of rules; creating a metropolitan air quality monitoring fund; proposing coding for new law in Minnesota Statutes, chapter 116.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Osthoff introduced:

H. F. No. 1394, A bill for an act relating to the capital area architectural and planning board; describing its area of operation; amending Minnesota Statutes 1988, section 15.50, subdivision 2.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Omann and Stanius introduced:

H. F. No. 1395, A bill for an act relating to game and fish; regulating the time when fish houses may be on the ice; amending Minnesota Statutes 1988, section 97C.355, subdivision 7.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Ogren; Munger; Carlson, D.; Simoneau and Johnson, V., introduced:

H. F. No. 1396, A bill for an act relating to natural resources; promoting Minnesota horticultural peat; appropriating money.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Orenstein; Carlson, L.; Poppenhagen; Dorn and Jaros introduced:

H. F. No. 1397, A bill for an act relating to education; updating the language and procedures with respect to certain state university bonding authority; amending Minnesota Statutes 1988, section 136.31, subdivisions 3 and 5.

The bill was read for the first time and referred to the Committee on Education.

Pelowski introduced:

H. F. No. 1398, A bill for an act relating to housing; making provisions for manufactured home park security deposits; amending Minnesota Statutes 1988, section 327C.02, subdivision 2.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Pelowski introduced:

H. F. No. 1399, A bill for an act relating to education; authorizing transportation aid for pupils who are custodial parents and their children; appropriating money; amending Minnesota Statutes 1988, section 124.223.

The bill was read for the first time and referred to the Committee on Education.

Rukavina and Begich introduced:

H. F. No. 1400, A bill for an act relating to retirement; authorizing increases in benefits payable by the Virginia police relief association; amending Laws 1982, chapter 574, section 5, as amended.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Orenstein, Vellenga, Gutknecht and Boo introduced:

H. F. No. 1401, A bill for an act relating to health; requiring health maintenance organizations to accept as providers all pharmacies agreeing to contract terms; proposing coding for new law in Minnesota Statutes, chapter 62D.

The bill was read for the first time and referred to the Committee on Insurance.

Brown; Cooper; Nelson, C.; Wenzel and Dille introduced:

H. F. No. 1402, A bill for an act relating to county and district agricultural societies; exempting admission tickets from Minnesota sales tax; amending Minnesota Statutes 1988, section 297A.25, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Knickerbocker introduced:

H. F. No. 1403, A bill for an act relating to retirement; Minnetonka volunteer firefighters relief association; authorizing a greater nonforfeitable percentage of accrued service pension with less than 20 years of service.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Otis; Munger; Kahn; Anderson, G., and Weaver introduced:

H. F. No. 1404, A bill for an act relating to environment; authorizing a label for environmentally-safe products; proposing coding for new law in Minnesota Statutes, chapter 325F.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

O'Connor introduced:

H. F. No. 1405, A bill for an act relating to liquor; requiring notice and hearing before liquor license fees are increased; amending Minnesota Statutes 1988, section 340A.408, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Price and Kostohryz introduced:

H. F. No. 1406, A bill for an act relating to capital improvements; providing money to acquire open space in the city of Maplewood; authorizing sale of state bonds; appropriating money.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Carruthers, Skoglund and Pauly introduced:

H. F. No. 1407, A bill for an act relating to political subdivisions; permitting participation in risk retention groups; amending Minnesota Statutes 1988, section 471.981, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Insurance.

Carruthers, Battaglia, Kalis, Onnen and McLaughlin introduced:

H. F. No. 1408, A bill for an act relating to metropolitan government; restructuring the regional transit board and the metropolitan transit commission; directing the board to plan and coordinate light rail transit systems in the metropolitan area; directing the commission to operate any light rail transit systems; transferring responsibility for distribution of the transit assistance fund and for receipt of federal grants to the board; amending Minnesota Statutes 1988, sections 174.32, subdivision 2; 473.169, subdivisions 3, 4, 5, and by adding subdivisions; 473.373, by adding a subdivision; 473.375, subdivision 8, and by adding a subdivision; 473.404, subdivisions 2 and 3; and 473.4051; repealing Minnesota Statutes 1988, sections 473.1691; 473.17; 473.373, subdivision 4; and 473.398.

The bill was read for the first time and referred to the Committee on Transportation.

Anderson, G., introduced:

H. F. No. 1409, A bill for an act relating to human services; establishing limits on general assistance benefit levels for new residents; amending Minnesota Statutes 1988, section 256D.06, subdivisions 1, 1c, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Battaglia, Ogren, Dorn and Onnen introduced:

H. F. No. 1410, A bill for an act relating to local government; the towns of Crystal Bay, Beaver Bay, and Stony River; the cities of Beaver Bay and Silver Bay, and Unorganized Territory No. 1; permitting the establishment of a medical clinic district.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

#### HOUSE ADVISORIES

The following House Advisories were introduced:

Osthoff introduced:

H. A. No. 4, A proposal to study personnel systems for metropolitan agencies.

The advisory was referred to the Committee on Local Government and Metropolitan Affairs.

Cooper, Brown, Dille, Steensma and Kinkel introduced:

H. A. No. 5, A proposal to identify and make recommendations on challenges to rural Emergency Medical Services.

The advisory was referred to the Committee on Health and Human Services.

#### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 387, A bill for an act relating to traffic regulations; exempting state patrol troopers from requirement of security barrier in marked state patrol vehicles; amending Minnesota Statutes 1988,

section 169.98, by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 509, A bill for an act relating to the city of St. Peter; providing for a seven-member municipal hospital board and a nine-member economic development authority.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 512, A bill for an act relating to local government; authorizing towns to require a bond or other security in establishing cartways; amending Minnesota Statutes 1988, section 164.08, subdivision 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 29, A bill for an act relating to examiners of title; increasing number of deputy examiners of title in second and fourth judicial districts; amending Minnesota Statutes 1988, section 508.12, subdivision 3.

The Senate has appointed as such committee:

Ms. Reichgott; Messrs. Peterson, R. W., and Laidig.

Said House File is herewith returned to the House.

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. 14, A bill for an act relating to crimes; restitution; revising current procedures relating to the ordering and collection of restitution; amending Minnesota Statutes 1988, sections 260.185, subdivisions 1 and 3a; 609.135, subdivision 1a; 611A.04, subdivisions 1, 2, and 3; and 611A.045; proposing coding for new law in Minnesota Statutes, chapter 611A.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Kelly moved that the House concur in the Senate amendments to H. F. No. 14 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 14, A bill for an act relating to crimes; restitution; revising current procedures relating to the ordering and collection of restitution; amending Minnesota Statutes 1988, sections 260.185, subdivisions 1 and 3a; 609.135, subdivision 1a; 611A.04, subdivisions 1, 2, and 3; and 611A.045; proposing coding for new law in Minnesota Statutes, chapter 611A.

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 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Jennings	McGuire	Otis
Anderson, G.	Dempsey	Johnson, A.	McLaughlin	Ozment
Anderson, R.	Dille	Johnson, R.	McPherson	Pappas
Battaglia	Dorn	Johnson, V.	Miller	Pauly
Bauerly	Forsythe	Kahn	Morrison	Pellow
Beard	Frederick	Kalis	Munger	Peterson
Begich	Frerichs	Kelly	Murphy	Poppenhagen
Bennett	Girard	Kelso	Nelson, C.	Price
Bertram	Greenfield	Kinkel	Nelson, K.	Pugh
Bishop	Gruenes	Knickerbocker	Neuenschwander	Quinn
Blatz	Gutknecht	Kostohryz	O'Connor	Redalen
Boo	Hasskamp	Krueger	Ogren	Reding
Brown	Haukoos	Lasley	Olson, S.	Rest
Burger	Heap	Lieder	Olson, E.	Rice
Carlson, D.	Henry	Limmer	Olson, K.	Richter
Carlson, L.	Himle	Long	Omänn	Rodosovich
Carruthers	Hugoson	Lynch	Onnen	Rukavina
Conway	Jacobs	Macklin	Onenstein	Rumbeck
Cooper	Jaros	Marsh	Osthoff	Sarna
Dauner	Jefferson	McEachern	Ostrom	Schafer

Schreiber	Sparby	Tompkins	Wagenius	Winter
Seaberg	Stanus	Trimble	Waltman	Wynia
Segal	Steensma	Tunheim	Weaver	Spk. Vanasek
Simoneau	Sviggum	Uphus	Welle	
Skoglund	Swenson	Valento	Wenzel	
Solberg	Tjornhom	Vellenga	Williams	

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. 27, A bill for an act relating to crimes; expanding the definition of "bodily harm" in the crime of third degree assault of an unborn child to include premature birth; amending Minnesota Statutes 1988, section 609.2672.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Vellenga moved that the House concur in the Senate amendments to H. F. No. 27 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 27, A bill for an act relating to crimes; expanding the definition of "substantial bodily harm" in the crime of second degree assault of an unborn child to include premature birth; amending Minnesota Statutes 1988, section 609.2671.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Blatz	Dawkins	Gutknecht	Jennings
Anderson, G.	Boo	Dempsey	Hasskamp	Johnson, A.
Anderson, R.	Brown	Dille	Haukoos	Johnson, R.
Battaglia	Burger	Dorn	Heap	Johnson, V.
Bauerly	Carlson, D.	Forsythe	Henry	Kahn
Beard	Carlson, L.	Frederick	Himle	Kalis
Begich	Carruthers	Frerichs	Hugoson	Kelly
Bennett	Conway	Girard	Jacobs	Kelso
Bertram	Cooper	Greenfield	Jaros	Kinkel
Bishop	Dauner	Gruenes	Jefferson	Knickerbocker

Kostohryz	Murphy	Pappas	Runbeck	Tompkins
Krueger	Nelson, C.	Pauly	Sarna	Trimble
Lasley	Nelson, K.	Pellow	Schafer	Tunheim
Lieder	Neuenschwander	Pelowski	Scheid	Uphus
Limmer	O'Connor	Peterson	Schreiber	Valento
Long	Ogren	Poppenhagen	Seaberg	Vellenga
Lynch	Olsen, S.	Price	Segal	Wagenius
Macklin	Olson, E.	Pugh	Simoneau	Waltman
Marsh	Olson, K.	Quinn	Skoglund	Weaver
McEachern	Omann	Redalen	Solberg	Welle
McGuire	Onnen	Reding	Sparby	Wenzel
McLaughlin	Orenstein	Rest	Stanius	Williams
McPherson	Osthoff	Rice	Steensma	Winter
Miller	Ostrom	Richter	Sviggum	Wynia
Morrison	Otis	Rodosovich	Swenson	Spk. Vanasek
Munger	Ozment	Rukavina	Tjornhom	

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. 104, 203, 264 and 126.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 104, A bill for an act relating to agriculture; making changes in the rural finance authority loan program; amending Minnesota Statutes 1988, sections 41B.02, subdivisions 12, 15, and 18; 41B.03, subdivision 3, and by adding a subdivision; 41B.039, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 41B; repealing Minnesota Statutes 1988, sections 41B.03, subdivision 4; and 41B.039, subdivisions 3, 4, and 5.

The bill was read for the first time and referred to the Committee on Agriculture.

S. F. No. 203, A bill for an act relating to intoxicating liquor; authorizing an on-sale liquor license for the Minneapolis convention center, the Orpheum Theatre, and the State Theatre; amending Minnesota Statutes 1988, section 340A.404, subdivision 2; repealing Laws 1973, chapter 505.

The bill was read for the first time and referred to the Committee on Regulated Industries.

S. F. No. 264, A bill for an act relating to health; requiring that health care providers timely furnish patient health records and reports; amending Minnesota Statutes 1988, section 144.335, subdivisions 2 and 3.

The bill was read for the first time and referred to the Committee on Health and Human Services.

S. F. No. 126, A bill for an act relating to traffic regulations; providing for suspension of driver's license of certain persons failing to appear in court; setting a fee; amending Minnesota Statutes 1988, sections 169.92; 171.01, subdivision 13; and 171.20, subdivision 4.

The bill was read for the first time and referred to the Committee on Appropriations.

### CONSENT CALENDAR

H. F. No. 827, A bill for an act relating to game and fish; authorizing the taking of certain muskrats that are causing damage; providing that license applications need not be notarized; regulating the purchase of raw furs; amending Minnesota Statutes 1988, sections 97A.481; 97B.655, subdivision 1; and 97B.905, 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 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Jennings	McGuire	Otis
Anderson, G.	Dempsey	Johnson, A.	McLaughlin	Ozment
Anderson, R.	Dille	Johnson, R.	McPherson	Pappas
Battaglia	Dorn	Johnson, V.	Miller	Pauly
Bauerly	Forsythe	Kahn	Morrison	Pellow
Beard	Frederick	Kalis	Munger	Pelowski
Begich	Frerichs	Kelly	Murphy	Peterson
Bennett	Girard	Kelso	Nelson, C.	Poppenhagen
Bertram	Greenfield	Kinkel	Nelson, K.	Price
Bishop	Gruenes	Knickerbocker	Neuenschwander	Pugh
Blatz	Gutknecht	Kostohryz	O'Connor	Quinn
Boo	Hasskamp	Krueger	Ogren	Redalen
Brown	Haukoos	Lasley	Olsen, S.	Reding
Burger	Heap	Lieder	Olson, E.	Rest
Carlson, D.	Henry	Limmer	Olson, K.	Rice
Carlson, L.	Himle	Long	Omann	Richter
Carruthers	Hugoson	Lynch	Onnen	Rodosovich
Conway	Jacobs	Macklin	Orenstein	Rukavina
Cooper	Jaros	Marsh	Osthoff	Runbeck
Dauner	Jefferson	McEachern	Ostrom	Sarna

Schafer	Skoglund	Swenson	Valento	Wenzel
Scheid	Solberg	Tjornhom	Vellenga	Williams
Schreiber	Sparby	Tompkins	Wagenius	Winter
Seaberg	Stanius	Trimble	Waltman	Wynia
Segal	Steensma	Tunheim	Weaver	Spk. Vanasek
Simoneau	Sviggum	Uphus	Welle	

The bill was passed and its title agreed to:

S. F. No. 25, A bill for an act relating to the legislature; correcting inaccurate references to senate committees; removing an obsolete reference to senate and house committees; amending Minnesota Statutes 1988, sections 97A.045, subdivision 8; 97A.065, subdivision 3; 116E.035; and 480.256.

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	Ferichs	Lasley	Osthoff	Segal
Anderson, G.	Girard	Lieder	Ostrom	Simoneau
Anderson, R.	Greenfield	Limmer	Otis	Skoglund
Battaglia	Gruenes	Long	Ozment	Solberg
Bauerly	Gutknecht	Lynch	Pappas	Sparby
Beard	Hasskamp	Macklin	Pauly	Stanius
Begich	Haukoos	Marsh	Pellow	Steensma
Bennett	Heap	McEachern	Pelowski	Sviggum
Bertram	Henry	McGuire	Peterson	Swenson
Bishop	Himle	McLaughlin	Poppenhagen	Tjornhom
Blatz	Hugoson	McPherson	Price	Tompkins
Boo	Jacobs	Miller	Pugh	Trimble
Brown	Jaros	Morrison	Quinn	Tunheim
Burger	Jefferson	Munger	Redalen	Uphus
Carlson, D.	Jennings	Murphy	Reding	Valento
Carlson, L.	Johnson, A.	Nelson, C.	Rest	Vellenga
Carruthers	Johnson, R.	Nelson, K.	Rice	Wagenius
Conway	Johnson, V.	Neuenschwander	Richter	Waltman
Cooper	Kahn	O'Connor	Rodosovich	Weaver
Dauner	Kalis	Ogren	Rukavina	Welle
Dawkins	Kelly	Olsen, S.	Runbeck	Wenzel
Dempsey	Kelso	Olsen, E.	Sarna	Williams
Dille	Kinkel	Olson, K.	Schafer	Winter
Dorn	Knickerbocker	Omann	Scheid	Wynia
Forsythe	Kostohryz	Onnen	Schreiber	Spk. Vanasek
Frederick	Krueger	Orenstein	Seaberg	

The bill was passed and its title agreed to.

## CALENDAR

H. F. No. 243, A bill for an act relating to the department of revenue; recodifying information and disclosure provisions to in-

crease uniformity of treatment and comply with the data privacy act; amending Minnesota Statutes 1988, sections 60A.17, subdivision 20; 82.27, subdivision 7; 147.091, subdivision 7; 148.10, subdivision 5; 148B.06, subdivision 3; 150A.08, subdivision 9; 171.31; 176.186; 176.231, subdivision 9; 256.978; 270.052; 270.064; 270.66, subdivision 3; 270.72, subdivision 4; 270.73, subdivision 1; 270A.11; 290.081; 290.174; 290.371, subdivision 5; 290.50, subdivision 6; 290.523, subdivision 1; 290.91; 290.92, subdivisions 5a, 17, and 26; 290A.112, subdivision 1; 297A.07; 326.20, subdivision 4; and 469.173, subdivision 5; proposing coding for new law as Minnesota Statutes, chapter 270B; repealing Minnesota Statutes 1988, sections 13.70; 290.05, subdivision 7; 290.61; 290A.17; 291.48; and 297A.43.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Lasley	Osthoff	Segal
Anderson, G.	Girard	Lieder	Ostrom	Simoneau
Anderson, R.	Greenfield	Limmer	Otis	Skoglund
Battaglia	Gruenes	Long	Ozment	Solberg
Bauerly	Gutknecht	Lynch	Pappas	Sparby
Beard	Hasskamp	Macklin	Pauly	Stanisus
Begich	Haukoos	Marsh	Pellow	Steensma
Bennett	Heap	McEachern	Pelowski	Sviggum
Bertram	Henry	McGuire	Peterson	Swenson
Bishop	Himle	McLaughlin	Poppenhagen	Tjornhom
Blatz	Hugoson	McPherson	Price	Tompkins
Boo	Jacobs	Miller	Pugh	Trimble
Brown	Jaros	Morrison	Quinn	Tunheim
Burger	Jefferson	Munger	Redaleh	Uphus
Carlson, D.	Jennings	Murphy	Reding	Valento
Carlson, L.	Johnson, A.	Nelson, C.	Rest	Vellenga
Carruthers	Johnson, R.	Nelson, K.	Rice	Wagenius
Conway	Johnson, V.	Neuenschwander	Richter	Waltman
Cooper	Kahn	O'Connor	Rodosovich	Weaver
Dauner	Kalis	Ogren	Rukavina	Welle
Dawkins	Kelly	Olsen, S.	Runbeck	Wenzel
Dempsey	Kelso	Olson, E.	Sarna	Williams
Dille	Kinkel	Olson, K.	Schafer	Winter
Dorn	Knickerbocker	Omann	Scheid	Wynia
Forsythe	Kostohryz	Onnen	Schreiber	Spk. Vanasek
Frederick	Krueger	Orenstein	Seaberg	

The bill was passed and its title agreed to.

H. F. No. 266, A bill for an act relating to taxation; making technical corrections and clarifications and administrative changes to premium taxes, cigarette taxes, sales taxes, motor vehicle excise taxes, gasoline and special fuel taxes, liquor taxes, marijuana and controlled substances taxes, lodging taxes, and the metropolitan solid waste landfill fee; providing for unmarked vehicles for use by

the department of revenue; providing for sales of unstamped tobacco products and liquor to Indian tribes; providing for cancellation of sales tax permits; repealing obsolete or unnecessary terms or provisions; repealing express company, freight line company, and sleeping car company gross earnings taxes; requiring notification of the commissioner prior to selling cigarettés at prices other than those presumed by law; amending Minnesota Statutes 1988, sections 16B.54, subdivision 2; 41A.09, subdivision 3; 69.011, subdivision 2; 69.54; 168.012, subdivision 1; 270.06; 270.60; 296.18, subdivision 1; 297.041, subdivisions 1, 2, and 4; 297A.06; 297A.17; 297A.20; 297A.21, subdivision 4; 297A.25, subdivisions 11 and 16; 297B.01, subdivision 5; 297B.02, subdivision 1; 297B.03; 297D.13, by adding a subdivision; 325D.32, subdivision 10; 325D.37, by adding a subdivision; 469.190, subdivision 1; 473.843, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 297, 297A, 297C, and 297D; repealing Minnesota Statutes 1988, sections 295.01, subdivisions 4, 5, 6, 7, and 8; 295.15; 295.21; 295.23; 295.24; 295.25; 295.27; 295.29; 295.30; 295.31; 297A.19; 297A.253; 477A.018; and 477A.019.

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	Girard	Lieder	Ostrom	Simoneau
Anderson, G.	Greenfield	Limmer	Otis	Skoglund
Anderson, R.	Gruenes	Long	Ozment	Solberg
Battaglia	Gutknecht	Lynch	Pappas	Sparby
Bauerly	Hasskamp	Macklin	Pauly	Stanias
Beard	Haukoos	Marsh	Pellow	Steenasma
Begich	Heap	McEachern	Pelowski	Sviggum
Bennett	Henry	McGuire	Peterson	Swenson
Bertram	Himle	McLaughlin	Popenhagen	Tjornhom
Blatz	Hugoson	McPherson	Price	Tompkins
Boo	Jacobs	Miller	Pugh	Trimble
Brown	Jaros	Morrison	Quinn	Tunheim
Burger	Jefferson	Munger	Redalen	Uphus
Carlson, D.	Jennings	Murphy	Reding	Valento
Carlson, L.	Johnson, A.	Nelson, C.	Rest	Vellenga
Carruthers	Johnson, R.	Nelson, K.	Rice	Wagenius
Conway	Johnson, V.	Neuenschwander	Richter	Waltman
Cooper	Kahn	O'Connor	Rodosovich	Weaver
Dauner	Kalis	Ogren	Rukavina	Welle
Dawkins	Kelly	Olsen, S.	Runbeck	Wenzel
Dempsey	Kelso	Olson, E.	Sarna	Williams
Dille	Kinkel	Olson, K.	Schafer	Winter
Dorn	Knickerbocker	Omman	Scheid	Wynia
Forsythe	Kostohryz	Onnen	Schreiber	Spk. Vanasek
Frederick	Krueger	Orenstein	Seaberg	
Frerichs	Lasley	Osthoff	Segal	

The bill was passed and its title agreed to.

H. F. No. 278, A bill for an act relating to highways; changing specific service signs to tourist-oriented directional signs; including certain types of businesses as tourist-oriented businesses; amending Minnesota Statutes 1988, section 160.292, subdivisions 2, 3, 4, and 10; 160.293; 160.294; 160.295; and 160.296.

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	Frerichs	Lasley	Osthoff	Segal
Anderson, G.	Girard	Lieder	Ostrom	Simoneau
Anderson, R.	Greenfield	Limmer	Otis	Skoglund
Battaglia	Grunes	Long	Ozment	Solberg
Bauerly	Gutknecht	Lynch	Pappas	Sparby
Beard	Hasskamp	Macklin	Pauly	Stanius
Begich	Haukoos	Marsh	Pellow	Steenasma
Bennett	Heap	McEachern	Pelowski	Sviggum
Bertram	Henry	McGuire	Peterson	Swenson
Bishop	Himle	McLaughlin	Poppenhagen	Tjornhom
Blatz	Hugoson	McPherson	Price	Tompkins
Boo	Jacobs	Miller	Pugh	Trimble
Brown	Jaros	Morrison	Quinn	Tunheim
Burger	Jefferson	Munger	Redalen	Uphus
Carlson, D.	Jennings	Murphy	Reding	Valento
Carlson, L.	Johnson, A.	Nelson, C.	Rest	Vellenga
Carruthers	Johnson, R.	Nelson, K.	Rice	Wagenius
Conway	Johnson, V.	Neuenschwander	Richter	Waltman
Cooper	Kahn	O'Connor	Rodosovich	Weaver
Dauner	Kalis	Ogren	Rukavina	Welle
Dawkins	Kelly	Olsen, S.	Runbeck	Wenzel
Dempsey	Kelso	Olson, E.	Sarna	Williams
Dille	Kinkel	Olson, K.	Schafer	Winter
Dorn	Knickerbocker	Omann	Scheid	Wynia
Forsythe	Kostohryz	Onnen	Schreiber	
Frederick	Krueger	Orenstein	Seaberg	

The bill was passed and its title agreed to.

H. F. No. 306, A bill for an act relating to trusts; providing for their creation, validity, administration, and supervision; providing for the sale of real property; relating to legal estates in real and personal property; relating to estates; amending Minnesota Statutes 1988, sections 500.17, subdivision 2; and 502.73; proposing coding for new law as Minnesota Statutes, chapter 501B; proposing coding for new law in Minnesota Statutes, chapter 525; repealing Minnesota Statutes 1988, sections 500.13; 501.01; 501.02; 501.03; 501.04; 501.05; 501.06; 501.07; 501.08; 501.09; 501.10; 501.11; 501.115; 501.12; 501.125; 501.13; 501.14; 501.15; 501.155; 501.16; 501.17; 501.18; 501.19; 501.195; 501.20; 501.21; 501.211; 501.22; 501.23; 501.24; 501.25; 501.26; 501.27; 501.28; 501.29; 501.30; 501.31; 501.32; 501.33; 501.34; 501.35; 501.351; 501.36; 501.37; 501.38; 501.39; 501.40; 501.41; 501.42; 501.43; 501.44; 501.45; 501.46; 501.461;

501.48; 501.49; 501.50; 501.51; 501.52; 501.53; 501.54; 501.55; 501.56; 501.57; 501.58; 501.59; 501.60; 501.61; 501.62; 501.63; 501.64; 501.65; 501.66; 501.67; 501.71; 501.72; 501.73; 501.74; 501.75; 501.76; 501.77; 501.78; 501.79; 501.80; 501.805; 501.81; 501A.01; 501A.02; 501A.03; 501A.04; 501A.05; 501A.06; and 501A.07.

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	Frerichs	Lasley	Osthoff	Simoneau
Anderson, G.	Girard	Lieder	Ostrom	Skoglund
Anderson, R.	Greenfield	Limmer	Otis	Solberg
Battaglia	Gruenes	Long	Ozment	Sparby
Bauerly	Gutknecht	Lynch	Pappas	Stanuis
Beard	Hasskamp	Macklin	Pauly	Steensma
Begich	Haukoos	Marsh	Pellow	Sviggum
Bennett	Heap	McEachern	Pelowski	Swenson
Bertram	Henry	McGuire	Peterson	Tjornhom
Bishop	Himle	McLaughlin	Poppenhagen	Tompkins
Blatz	Hugoson	McPherson	Price	Trimble
Boo	Jacobs	Miller	Pugh	Tunheim
Brown	Jaros	Morrison	Quinn	Uphus
Burger	Jefferson	Munger	Redalen	Valento
Carlson, D.	Jennings	Murphy	Reding	Vellenga
Carlson, L.	Johnson, A.	Nelson, C.	Rest	Wagenius
Carruthers	Johnson, R.	Nelson, K.	Rice	Waltman
Conway	Johnson, V.	Neuenschwander	Richter	Weaver
Cooper	Kahn	O'Connor	Rodosovich	Welle
Dauner	Kalis	Ogren	Rukavina	Wenzel
Dawkins	Kelly	Olsen, S.	Runbeck	Williams
Dempsey	Kelso	Olson, E.	Sarna	Winter
Dille	Kinkel	Olson, K.	Schafer	Wynia
Dorn	Knickerbocker	Omamm	Schreiber	Spk. Vanasek
Forsythe	Kostohryz	Onnen	Seaberg	
Frederick	Krueger	Orenstein	Segal	

The bill was passed and its title agreed to.

H. F. No. 765, A bill for an act relating to the Western Lake Superior Sanitary District; authorizing the district to issue refunding obligations without redemption of outstanding obligations prior to maturity; amending Laws 1971, chapter 478, section 9a, subdivision 4, as added; and section 13, subdivision 4.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Lasley	Osthoff	Segal
Anderson, G.	Girard	Lieder	Ostrom	Simoneau
Anderson, R.	Greenfield	Limmer	Otis	Skoglund
Battaglia	Gruenes	Long	Ozment	Solberg
Bauerly	Gutknecht	Lynch	Pappas	Sparby
Beard	Hasskamp	Macklin	Pauly	Stanius
Begich	Haukoos	Marsh	Pellow	Steensma
Bennett	Heap	McEachern	Pelowski	Sviggum
Bertram	Henry	McGuire	Peterson	Swenson
Bishop	Himle	McLaughlin	Poppenhagen	Tjornhom
Blatz	Hugoson	McPherson	Price	Tompkins
Boo	Jacobs	Miller	Pugh	Trimble
Brown	Jaros	Morrison	Quinn	Tunheim
Burger	Jefferson	Munger	Redalen	Uphus
Carlson, D.	Jennings	Murphy	Reding	Valento
Carlson, L.	Johnson, A.	Nelson, C.	Rest	Vellenga
Carruthers	Johnson, R.	Nelson, K.	Rice	Wagenius
Conway	Johnson, V.	Neuenschwander	Richter	Waltman
Cooper	Kahn	O'Connor	Rodosovich	Weaver
Dauner	Kalis	Ogren	Rukavina	Welle
Dawkins	Kelly	Olsen, S.	Runbeck	Wenzel
Dempsey	Kelso	Olson, E.	Sarna	Williams
Dille	Kinkel	Olson, K.	Schafer	Winter
Dorn	Knickerbocker	Omann	Scheid	Wynia
Forsythe	Kostohryz	Onnen	Schreiber	Spk. Vanasek
Frederick	Krueger	Orenstein	Seaberg	

The bill was passed and its title agreed to.

H. F. No. 862, A bill for an act relating to statutes; revising the text of certain laws to remove redundant and obsolete language, to simplify grammar and syntax, and to improve the style of language without causing changes in the meaning of the laws; amending Minnesota Statutes 1988, chapters 226; 230; 233; 234; 235; 236; and 366, as amended.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Carruthers	Hasskamp	Kinkel	Morrison
Anderson, G.	Clark	Haukoos	Knickerbocker	Munger
Anderson, R.	Conway	Heap	Kostohryz	Murphy
Battaglia	Cooper	Henry	Krueger	Nelson, C.
Bauerly	Dauner	Himle	Lasley	Nelson, K.
Beard	Dawkins	Hugoson	Lieder	Neuenschwander
Begich	Dempsey	Jacobs	Limmer	O'Connor
Bennett	Dille	Jaros	Long	Ogren
Bertram	Dorn	Jefferson	Lynch	Olsen, S.
Bishop	Forsythe	Jennings	Macklin	Olson, E.
Blatz	Frederick	Johnson, R.	Marsh	Olson, K.
Boo	Frerichs	Johnson, V.	McEachern	Omann
Brown	Girard	Kahn	McGuire	Onnen
Burger	Greenfield	Kalis	McLaughlin	Orenstein
Carlson, D.	Gruenes	Kelly	McPherson	Osthoff
Carlson, L.	Gutknecht	Kelso	Miller	Ostrom

Otis	Quinn	Schafer	Steensma	Wagenius
Ozment	Redalen	Scheid	Sviggum	Waltman
Pappas	Reding	Schreiber	Swenson	Weaver
Pauly	Rest	Seaberg	Tjornhom	Welle
Pellow	Rice	Segal	Tompkins	Wenzel
Pelowski	Richter	Simoneau	Trimble	Williams
Peterson	Rodosovich	Skoglund	Tunheim	Winter
Poppenhagen	Rukavina	Solberg	Uphus	Wynia
Price	Runbeck	Sparby	Valento	Spk. Vanasek
Pugh	Sarna	Stanius	Vellenga	

The bill was passed and its title agreed to.

### GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Vanasek in the Chair for consideration of bills pending on General Orders of the day. Redalen presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 931, 603, 707, 774, 804 and 943 were recommended to pass.

S. F. Nos. 227 and 686 were recommended to pass.

H. F. No. 925 was recommended for progress until Monday, April 24, 1989.

H. F. No. 484 was recommended for re-referral to the Committee on Local Government and Metropolitan Affairs.

H. F. No. 630, the first engrossment, which it recommended to pass with the following amendment offered by Scheid:

Page 11, line 33, delete section 22 and insert:

“Sec. 22. Minnesota Statutes 1988, section 211A.05, subdivision 1, is amended to read:

Subdivision 1. [PENALTY.] A candidate who intentionally fails to file a report required by section 211A.02 is guilty of a misdemeanor. A member The treasurer of a committee that formed to promote or defeat a ballot question who intentionally fails to file a report required by section 211A.02 is guilty of a misdemeanor. Each

candidate or treasurer of a committee formed to promote or defeat a ballot question shall certify to the filing officer that all reports required by section 211A.02 have been submitted to the filing officer or that the candidate or committee has not received contributions or made disbursements exceeding \$750 in the calendar year. The certification shall be submitted to the filing officer no later than seven days after the general or special election. The secretary of state shall prepare blanks for this certification. An officer who issues a certificate of election to a candidate with knowledge that the candidate's financial statement has not been filed who has not certified that all reports required by section 211A.02 have been filed is guilty of a misdemeanor.

H. F. No. 436, the first engrossment, which it recommended to pass with the following amendment offered by Onnen:

Page 2, line 5, after "legislature" insert "by February 1, 1990"

On the motion of Wynia the report of the Committee of the Whole was adopted.

#### ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll call was taken in the Committee of the Whole:

The question was taken on the motion to recommend passage of H. F. No. 707, the second engrossment, and the roll was called. There were 81 yeas and 45 nays as follows:

Those who voted in the affirmative were:

Abrams	Cooper	Kalis	Olsen, S.	Scheid
Anderson, G.	Dauner	Kelso	Omamm	Schreiber
Anderson, R.	Dawkins	Kinkel	Osthoff	Seaberg
Battaglia	Dempsey	Knickerbocker	Pauly	Simoneau
Bauerly	Dorn	Kostohryz	Pellow	Solberg
Beard	Frederick	Krueger	Pelowski	Sparby
Begich	Frerichs	Lieder	Peterson	Stanius
Bennett	Girard	Lynch	Price	Sviggrum
Bertram	Gruenes	Macklin	Quinn	Swenson
Bishop	Heap	McEachern	Redalen	Tunheim
Blatz	Himle	McLaughlin	Reding	Uphus
Boo	Hugoson	McPherson	Rest	Valento
Brown	Jacobs	Morrison	Rodosovich	Welle
Carlson, L.	Jennings	Neuenschwander	Rukavina	Wenzel
Carruthers	Johnson, A.	O'Connor	Sarna	Williams
Conway	Johnson, V.	Ogren	Schafer	Winter
				Spk. Vanasek

Those who voted in the negative were:

Burger	Henry	Miller	Ozment	Steensma
Carlson, D.	Jefferson	Murphy	Pappas	Tjornhom
Clark	Johnson, R.	Nelson, K.	Poppenhagen	Tompkins
Dille	Kahn	Olson, E.	Pugh	Trimble
Forsythe	Lasley	Olson, K.	Rice	Vellenga
Greenfield	Limmer	Onnen	Richter	Wagenius
Gutknecht	Long	Orenstein	Runbeck	Waltman
Hasskamp	Marsh	Ostrom	Segal	Weaver
Haukoos	McGuire	Otis	Skoglund	Wynia

The motion prevailed.

### MOTIONS AND RESOLUTIONS

Beard moved that the name of Swenson be added as an author on H. F. No. 61. The motion prevailed.

Lieder moved that his name be stricken as an author on H. F. No. 123. The motion prevailed.

Simoneau moved that the name of O'Connor be added as an author on H. F. No. 526. The motion prevailed.

Carlson, D., moved that the names of Kinkel; Battaglia; Johnson, R., and Jennings be added as authors on H. F. No. 695. The motion prevailed.

McLaughlin moved that the name of Clark be added as an author on H. F. No. 875. The motion prevailed.

Gruenes moved that the name of Frederick be added as an author on H. F. No. 879. The motion prevailed.

Krueger moved that the name of Bennett be added as an author on H. F. No. 910. The motion prevailed.

Dempsey moved that the name of Frederick be added as an author on H. F. No. 923. The motion prevailed.

Krueger moved that the names of Kahn, Abrams and Sparby be added as authors on H. F. No. 1240. The motion prevailed.

Quinn moved that the name of Lynch be added as an author on H. F. No. 1267. The motion prevailed.

Kinkel moved that the name of Clark be added as an author on H. F. No. 1269. The motion prevailed.

Clark moved that the name of Greenfield be added as an author on H. F. No. 1276. The motion prevailed.

Carruthers moved that the name of Weaver be added as an author on H. F. No. 1278. The motion prevailed.

Skoglund moved that the name of Clark be added as an author on H. F. No. 1286. The motion prevailed.

Wynia moved that the names of Segal and Clark be added as authors on H. F. No. 1288. The motion prevailed.

Marsh moved that the name of Hasskamp be added as an author on H. F. No. 1298. The motion prevailed.

Solberg moved that the name of Sparby be shown as chief author and that his name be shown as second author on H. F. No. 1310. The motion prevailed.

Kostohryz moved that the name of Segal be added as an author on H. F. No. 1334. The motion prevailed.

Munger moved that H. F. No. 417 be recalled from the Committee on Education and be re-referred to the Committee on Governmental Operations. The motion prevailed.

Otis moved that H. F. No. 856 be recalled from the Committee on Economic Development and be re-referred to the Committee on Environment and Natural Resources. The motion prevailed.

Vellenga and Limmer introduced:

House Resolution No. 6, A house resolution congratulating South Dakota, the "Land of Infinite Variety," on its Centennial celebration.

The resolution was referred to the Committee on Rules and Legislative Administration.

#### ANNOUNCEMENT BY THE SPEAKER

Pursuant to rule 6.10, the Speaker announced the appointment of the following members of the House as alternates to the Committee on Ethics:

Vellenga and Seaberg.

## ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 2:30 p.m., Thursday, March 30, 1989. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Thursday, March 30, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION—1989

## TWENTY-SIXTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, MARCH 30, 1989

The House of Representatives convened at 2:30 p.m. and was called to order by Robert E. Vanasek, Speaker of the House.

Prayer was offered by the Reverend Joanne Perrin, Ordained Minister in the United Church of Christ and Chaplain for Good Neighbor Health Care Centers, St. Paul, Minnesota.

The roll was called and the following members were present:

Abrams	Girard	Lieder	Ostrom	Stoglund
Anderson, R.	Greenfield	Limmer	Otis	Solberg
Battaglia	Gruenes	Long	Ozment	Sparby
Bauerly	Gutknecht	Lynch	Pappas	Stanius
Beard	Hasskamp	Macklin	Pauly	Steensma
Begich	Haukoos	Marsh	Pellow	Svigguim
Bennett	Heap	McDonald	Pelowski	Swenson
Bertram	Henry	McEachern	Peterson	Tjornhom
Bishop	Himle	McGuire	Poppenhagen	Tompkins
Blätz	Hugoson	McLaughlin	Price	Trimble
Boo	Jacobs	McPherson	Quinn	Tunheim
Brown	Janezich	Milbert	Redalen	Uphus
Burger	Jaros	Miller	Reding	Valento
Carlson, D.	Jefferson	Munger	Rest	Vellenga
Carlson, L.	Jennings	Murphy	Rice	Wagenius
Carruthers	Johnson, A.	Nelson, C.	Richter	Waltman
Clark	Johnson, R.	Nelson, K.	Rodosovich	Weaver
Conway	Johnson, V.	Neuenschwander	Rukavina	Welle
Cooper	Kahn	O'Connor	Runbeck	Wenzel
Dauner	Kalis	Ogren	Sarna	Williams
Dawkins	Kelly	Olsen, S.	Schafer	Winter
Dille	Kelso	Olson, E.	Scheid	Wynia
Dorn	Kinkel	Olson, K.	Schreiber	Spk. Vanasek
Forsythe	Knickerbocker	Omamm	Seaberg	
Frederick	Krueger	Onnen	Segal	
Frerichs	Lasley	Orenstein	Simoneau	

A quorum was present.

Anderson, G.; Dempsey; Hartle; Kostohryz; Osthoff and Pugh were excused.

Morrison was excused until 3:05 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Rodosovich 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

Pursuant to Rules of the House, printed copies of H. F. Nos. 489, 520, 1056, 630 and 436 and S. F. Nos. 126, 264, 203 and 104 have been placed in the members' files.

#### REPORTS OF STANDING COMMITTEES

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 61, A bill for an act relating to human services; excluding payments for exposure to Agent Orange from eligibility determination for general assistance; exempting causes of action for damages from exposure to Agent Orange from state agency liens and subrogation; amending Minnesota Statutes 1988, sections 256.015, by adding a subdivision; 256D.03, subdivisions 3 and 8; and 256D.08, subdivision 1.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Otis from the Committee on Economic Development to which was referred:

H. F. No. 71, A bill for an act relating to economic development; authorizing counties to establish economic development authorities; amending Minnesota Statutes 1988, sections 469.090, by adding a subdivision; 469.091, subdivision 1, and by adding a subdivision; 469.092, subdivisions 1, 3, 4, and 5; 469.093, subdivision 1; 469.094, subdivisions 1, 2, and 3; 469.095; 469.097, subdivisions 3, 5, and 6; 469.099, subdivision 3; 469.100, subdivisions 2, 3, 4, 5, and 6; 469.101, subdivisions 1, 4, 15, and 16; 469.102, subdivisions 1, 2, 4, and 5; 469.103, subdivisions 1 and 6; 469.105, subdivisions 1 and 4; and 469.107.

Reported the same back with the following amendments:

Page 2, line 8, delete "that has"

Page 2, delete lines 9 and 10

Page 2, line 11, delete "section 469.091,"

Page 15, line 25, after the period insert "A county may not levy a tax under this subdivision in a city that has established a port authority under section 469.049 or a special law, a city economic development authority under section 469.091, or a housing and redevelopment authority under section 469.003, unless authorized by the governing body of the city."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Local Government and Metropolitan Affairs.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 110, A bill for an act relating to metropolitan government; prescribing the term of the chair of the metropolitan council; amending Minnesota Statutes 1988, section 473.123, subdivisions 2a and 4.

Reported the same back with the following amendments:

Page 2, line 26, after "2" insert "are effective for the term beginning January 1991 and"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 185, A bill for an act relating to commerce; restraint of trade; providing an evidentiary presumption in resale price maintenance cases; proposing coding for new law in Minnesota Statutes, chapter 325D.

Reported the same back with the following amendments:

Page 1, line 14, delete "in response to this communication"

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. 245, A bill for an act relating to environment; exempting generators of small amounts of hazardous waste from administrative regulation; amending Minnesota Statutes 1988, section 116.07, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 116.07, subdivision 2, is amended to read:

Subd. 2. [ADOPTION OF STANDARDS.] The pollution control agency shall improve air quality by promoting, in the most practicable way possible, the use of energy sources and waste disposal methods which produce or emit the least air contaminants consistent with the agency's overall goal of reducing all forms of pollution. The agency shall also adopt standards of air quality, including maximum allowable standards of emission of air contaminants from motor vehicles, recognizing that due to variable factors, no single standard of purity of air is applicable to all areas of the state. In adopting standards the pollution control agency shall give due recognition to the fact that the quantity or characteristics of air contaminants or the duration of their presence in the atmosphere, which may cause air pollution in one area of the state, may cause less or not cause any air pollution in another area of the state, and it shall take into consideration in this connection such factors, including others which it may deem proper, as existing physical conditions, zoning classifications, topography, prevailing wind directions and velocities, and the fact that a standard of air quality which may be proper as to an essentially residential area of the state, may not be proper as to a highly developed industrial area of the state. Such standards of air quality shall be premised upon scientific knowledge of causes as well as effects based on technically substantiated criteria and commonly accepted practices. No local government unit shall set standards of air quality which are more stringent than those set by the pollution control agency.

The pollution control agency shall promote solid waste disposal control by encouraging the updating of collection systems, elimination of open dumps, and improvements in incinerator practices. The agency shall also adopt standards for the control of the collection, transportation, storage, processing, and disposal of solid waste and

sewage sludge for the prevention and abatement of water, air and land pollution, recognizing that due to variable factors, no single standard of control is applicable to all areas of the state. In adopting standards, the pollution control agency shall give due recognition to the fact that elements of control which may be reasonable and proper in densely populated areas of the state may be unreasonable and improper in sparsely populated or remote areas of the state, and it shall take into consideration in this connection such factors, including others which it may deem proper, as existing physical conditions, topography, soils and geology, climate, transportation, and land use. Such standards of control shall be premised on technical criteria and commonly accepted practices.

The pollution control agency shall also adopt standards describing the maximum levels of noise in terms of sound pressure level which may occur in the outdoor atmosphere, recognizing that due to variable factors no single standard of sound pressure is applicable to all areas of the state. Such standards shall give due consideration to such factors as the intensity of noises, the types of noises, the frequency with which noises recur, the time period for which noises continue, the times of day during which noises occur, and such other factors as could affect the extent to which noises may be injurious to human health or welfare, animal or plant life, or property, or could interfere unreasonably with the enjoyment of life or property. In adopting standards, the pollution control agency shall give due recognition to the fact that the quantity or characteristics of noise or the duration of its presence in the outdoor atmosphere, which may cause noise pollution in one area of the state, may cause less or not cause any noise pollution in another area of the state, and it shall take into consideration in this connection such factors, including others which it may deem proper, as existing physical conditions, zoning classifications, topography, meteorological conditions and the fact that a standard which may be proper in an essentially residential area of the state, may not be proper as to a highly developed industrial area of the state. Such noise standards shall be premised upon scientific knowledge as well as effects based on technically substantiated criteria and commonly accepted practices. No local governing unit shall set standards describing the maximum levels of sound pressure which are more stringent than those set by the pollution control agency.

The pollution control agency shall adopt standards for the identification of hazardous waste and for the management, identification, labeling, classification, storage, collection, transportation, processing, and disposal of hazardous waste, recognizing that due to variable factors, a single standard of hazardous waste control may not be applicable to all areas of the state. In adopting standards, the pollution control agency shall recognize that elements of control which may be reasonable and proper in densely populated areas of the state may be unreasonable and improper in sparsely populated or remote areas of the state. The agency shall consider existing

physical conditions, topography, soils, and geology, climate, transportation and land use. Standards of hazardous waste control shall be premised on technical knowledge, and commonly accepted practices. No local government unit shall set standards of hazardous waste control which are in conflict or inconsistent with those set by the pollution control agency.

A person who generates less than 100 kilograms of hazardous waste per month is exempt from the agency hazardous waste rules relating to transportation, manifesting, storage, and labeling for photographic fixer and X-ray negative wastes that are hazardous solely because of silver content. Nothing in this paragraph exempts the generator from the agency's rules relating to on-site accumulation or outdoor storage. A political subdivision or other local unit of government may not adopt management requirements that are more restrictive than this paragraph."

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 391, A bill for an act relating to peace officers; providing eligibility for death benefits for certain fire and rescue unit members and other first responders; amending Minnesota Statutes 1988, section 176B.01, subdivision 2.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 428, A bill for an act relating to public safety; transferring duties and powers relating to emergency medical services from the department of health to the department of public safety; instructing the revisor; amending Minnesota Statutes 1988, sections 144.801, subdivision 3; 144.802, subdivision 1; 144.804, subdivisions 1 and 5; and 144.8093, subdivisions 2 and 4.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 432, A bill for an act relating to state agencies; providing for the development of internal auditing standards and requiring a report to the legislature and the governor on progress made; providing for the classification of certain internal auditing data as confidential data on individuals, protected nonpublic data, or private data on individuals; requiring the commissioner to coordinate development and develop standards for internal auditing and report on progress; amending Minnesota Statutes 1988, section 16A.055, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 13.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Otis from the Committee on Economic Development to which was referred:

H. F. No. 485, A bill for an act relating to resource development; establishing a legislative commission on minerals; appropriating money.

Reported the same back with the following amendments:

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 1988, section 116J.61, is amended to read:

116J.61 [ADDITIONAL POWERS AND DUTIES.]

The commissioner shall:

(1) have control of the work of carrying on a continuous program of education for business people;

(2) publish, disseminate, and distribute information and statistics;

(3) promote and encourage the expansion and development of markets for Minnesota products and resources. This may include the establishment of industry specialist positions whose purposes are to promote and encourage the development of specific industries or sectors of the state's economy. These industries or sectors may include forestry and forest products, medical technology, minerals, and electronics and computers;

(4) promote and encourage the location and development of new business in the state as well as the maintenance and expansion of existing business and for that purpose cooperate with state and local agencies and individuals, both within and outside the state;

(5) advertise and disseminate information as to natural resources, desirable locations, and other advantages for the purpose of attracting business to locate in this state;

(6) aid the various communities in this state in getting business to locate therein;

(7) advise and cooperate with municipal, county, regional, and other planning agencies and planning groups within the state for the purpose of promoting coordination between the state and localities as to plans and development in order to maintain a high level of gainful employment in private profitable production and achieve commensurate advancement in social and cultural welfare; coordinate the activities of statewide and local planning agencies, correlate information secured from them and from state departments and disseminate information and suggestions to the planning agencies; and encourage and assist in the organization and functioning of local planning agencies where none exist; and may provide at the request of any governmental subdivision hereinafter mentioned planning assistance, which includes but is not limited to surveys, land use studies, urban renewal plans, technical services and other planning work to any city or other municipality in the state or perform similar planning work in any county, metropolitan or regional area in the state. The commissioner shall not perform the planning work with respect to a metropolitan or regional area which is under the jurisdiction for planning purposes of a county, metropolitan, regional or joint planning body, except at the request or with the consent of the respective county, metropolitan, regional or joint planning body. The commissioner is authorized to receive and expend money from municipal, county, regional and other planning agencies; and may accept and disburse grants and other aids for planning purposes from the federal government and from other public or private sources, and may utilize moneys so received for the employment of consultants and other temporary personnel to assist in the supervision or performance of planning work supported by money other than state appropriated money, and may enter into contracts with agencies of the federal government, units of local government or combinations thereof, and with private persons that are necessary in the performance of the planning assistance function of the commissioner. The commissioner may assist any local government unit in filling out application forms for the federal grants-in-aid. In furtherance of their planning functions, any city or town, however organized, may expend money and contract with agencies of the federal government, appropriate departments of state government, other local units of government and with private persons; and

(8) adopt measures calculated to promote public interest in and understanding of the problems of planning and, to that end, may publish and distribute copies of any plan or any report and may employ other means of publicity and education that will give full effect to the provisions of sections 116J.58 to 116J.63."

Page 3, after line 14, insert:

"Sec. 4. [APPROPRIATION.]

\$ . . . . . is appropriated from the general fund to the commissioner of trade and economic development for an industry specialist position for the minerals industry."

Page 3, line 15, after "APPROPRIATION" insert "; COMMISSION"

Page 3, after line 17, insert:

"Sec. 6. [APPROPRIATION; MINERALS DIVERSIFICATION PROGRAM.]

\$1,700,000 is appropriated from the general fund to the commissioner of natural resources to fund the programs and activities recommended by the Minnesota minerals coordinating committee as part of the Minnesota minerals diversification biennial fund plan."

Page 3, line 19, delete "1 to 3" and insert "2 to 6"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, before the period insert "; amending Minnesota Statutes 1988, section 116J.61"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 493, A bill for an act relating to education; requiring a pupil to stay in a school for one year under open enrollment; amending Minnesota Statutes 1988, section 123.3515.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 120.062, subdivision 4, is amended to read:

Subd. 4. [PUPIL APPLICATION PROCEDURES.] In order that a pupil may attend a school or program in a nonresident district, the pupil's parent or guardian must submit an application to the nonresident district. Before submitting an application, the pupil and the pupil's parent or guardian must explore with a school guidance counselor, or other appropriate staff member employed by the pupil's resident district, the pupil's academic or other reason for applying to enroll in a nonresident district. The pupil's application must identify the reason for enrolling in the nonresident district. The parent or guardian of a pupil residing in a district that does not have a desegregation plan approved by the state board of education must submit an application by January 1 for enrollment during the following school year. The parent or guardian of a pupil residing in a district that has a desegregation plan approved by the state board of education may apply to a district at any time. The application shall be on a form provided by the department of education. A particular school or program may be requested by the parent.

Sec. 2. Minnesota Statutes 1988, section 120.062, subdivision 6, is amended to read:

Subd. 6. [NONRESIDENT DISTRICT PROCEDURES.] ~~Within 60 days of receiving an application,~~ A district that does not exclude nonresident pupils, according to subdivision 3, shall notify the parent or guardian ~~and the resident district~~ in writing by February 1 whether the application has been accepted or rejected. If an application is rejected, the district must state in the notification the reason for rejection. The parent or guardian shall notify the nonresident district by February 15 that the pupil will enroll in the nonresident district. Notice of intent to enroll in the nonresident district obligates the pupil to attend the nonresident district during the following school year, unless the superintendents in the resident and the nonresident districts agree in writing to allow the pupil to transfer back to the resident district, or the pupil's parents or guardians change residence to another district. The nonresident district shall notify the resident district by March 1 of the pupil's intent to enroll in the nonresident district. The same procedures apply to a pupil who applies to transfer from one participating nonresident district to another participating nonresident district.

Sec. 3. Minnesota Statutes 1988, section 120.062, is amended by adding a subdivision to read:

Subd. 13. [ATHLETIC PARTICIPATION.] If a pupil enrolls in a

nonresident district under this section, the pupil is ineligible to participate in the extracurricular varsity athletic activities of the nonresident district for one school year. During that year of ineligibility in the nonresident district, the pupil remains eligible to participate in the extracurricular varsity athletic activities of the pupil's resident district, or in the extracurricular varsity athletic activities of the nonpublic school the pupil attended prior to enrolling in a public school under this section. After the year of ineligibility expires, the pupil is eligible to participate in the extracurricular varsity athletic activities of the nonresident district and is no longer eligible to participate in the extracurricular varsity athletic activities of the resident district or nonpublic school. The same restrictions apply to a pupil who transfers from one participating nonresident district to another participating nonresident district.

The superintendents in the resident and nonresident districts may agree in writing to allow a nonresident pupil to participate in the extracurricular varsity athletic activities of the nonresident district during the year of ineligibility if the pupil demonstrates that the distance the pupil must travel between the resident and nonresident district prevents the pupil from participating in the extracurricular varsity athletic activities of the resident district.

#### Sec. 4. [REPORT.]

The commissioner of education shall provide an interim report to the education committees of the legislature by February 1, 1990, describing the experiences of parents, pupils, and school districts with the enrollment options program. The commissioner shall provide a final report to the committees by February 1, 1991, evaluating experiences of parents, pupils, and school districts with the program.

#### Sec. 5. [REPEALER.]

Minnesota Statutes 1988, section 120.062, subdivision 8, is repealed effective for the 1989-1990 school year.

#### Sec. 6. [EFFECTIVE DATES.]

Sections 1 and 2 are effective for the 1990-1991 school year and thereafter. Sections 3 and 4 are effective for the 1989-1990 school year and thereafter."

Delete the title and insert:

"A bill for an act relating to education; requiring a pupil to identify reasons for enrolling in a nonresident district under the enrollment options program; providing a resident district with

notice of a pupil's participation under the program; restricting transfers; restricting participation in extracurricular varsity athletic activities in a nonresident district; amending Minnesota Statutes 1988, section 120.062, subdivisions 4, 6, and by adding a subdivision; repealing Minnesota Statutes 1988, section 120.062, subdivision 8."

With the recommendation that when so amended the bill pass.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 529, A bill for an act relating to local government; permitting counties, cities, and towns to contribute to certain hospitals; amending Minnesota Statutes 1988, section 376.09; proposing coding for new law in Minnesota Statutes, chapter 465.

Reported the same back with the following amendments:

Page 1, line 22, after "nonprofit" insert "or public"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 593, A bill for an act relating to occupations and professions; providing for a uniform electrical violation ticket; proposing coding for new law in Minnesota Statutes, chapter 326.

Reported the same back with the following amendments:

Page 1, delete lines 17 to 19 and insert "The uniform electrical violation ticket shall state that if the defendant fails to appear in court in response to the ticket, an arrest warrant may be issued.  
The"

With the recommendation that when so amended the bill pass.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 598, A bill for an act relating to juveniles; authorizing county welfare boards to collect fees for court-ordered treatment; amending Minnesota Statutes 1988, section 260.251, subdivision 1.

Reported the same back with the following amendments:

Page 2, delete line 24, and insert "department of human services, in consultation with county social service departments."

Page 2, line 25, delete "commissioner of human services."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Otis from the Committee on Economic Development to which was referred:

H. F. No. 607, A bill for an act relating to economic development; establishing a toll free provider referral system for small businesses; amending Minnesota Statutes 1988, section 116J.68, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"ARTICLE 1  
TECHNICAL ASSISTANCE

Section 1. Minnesota Statutes 1988, section 116J.58, subdivision 1, is amended to read:

Subdivision 1. [ENUMERATION.] The commissioner shall:

(1) investigate, study, and undertake ways and means of promoting and encouraging the prosperous development and protection of the legitimate interest and welfare of Minnesota business, industry, and commerce, within and outside the state;

(2) locate markets for manufacturers and processors and aid merchants in locating and contacting markets;

(3) investigate and study conditions affecting Minnesota business, industry, and commerce and collect and disseminate information, and engage in technical studies, scientific investigations, and sta-

tistical research and educational activities necessary or useful for the proper execution of the powers and duties of the commissioner in promoting and developing Minnesota business, industry, and commerce, both within and outside the state;

(4) plan and develop an effective business information service both for the direct assistance of business and industry of the state and for the encouragement of business and industry outside the state to use economic facilities within the state;

(5) compile, collect, and develop periodically, or otherwise make available, information relating to current business conditions;

(6) conduct or encourage research designed to further new and more extensive uses of the natural and other resources of the state and designed to develop new products and industrial processes;

(7) study trends and developments in the industries of the state and analyze the reasons underlying the trends; study costs and other factors affecting successful operation of businesses within the state; and make recommendations regarding circumstances promoting or hampering business and industrial development;

(8) serve as a clearing house for business and industrial problems of the state; and advise small business enterprises regarding improved methods of accounting and bookkeeping;

(9) cooperate with interstate commissions engaged in formulating and promoting the adoption of interstate compacts and agreements helpful to business, industry, and commerce;

(10) cooperate with other state departments, and with boards, commissions, and other state agencies, in the preparation and coordination of plans and policies for the development of the state and for the use and conservation of its resources insofar as the use, conservation, and development may be appropriately directed or influenced by a state agency;

(11) assemble and coordinate information relative to the status, scope, cost, and employment possibilities and the availability of materials, equipment, and labor in connection with public works projects, state, county, and municipal; recommend limitations on the public works; gather current progress information with reference to public and private works projects of the state and its political subdivisions with reference to conditions of employment; inquire into and report to the governor, when requested by the governor, with respect to any program of public state improvements and the financing thereof; and request and obtain information from other state departments or agencies as may be needed properly to report thereon;

(12) study changes in population and current trends and prepare plans and suggest policies for the development and conservation of the resources of the state;

(13) confer and cooperate with the executive, legislative, or planning authorities of the United States and neighboring states and of the counties and municipalities of such neighboring states, for the purpose of bringing about a coordination between the development of such neighboring states, counties, and municipalities and the development of this state;

(14) generally, gather, compile, and make available statistical information relating to business, trade, commerce, industry, transportation, communication, natural resources, and other like subjects in this state, with authority to call upon other departments of the state for statistical data and results obtained by them and to arrange and compile that statistical information in a manner that seems wise;

(15) publish documents and annually convene regional meetings to inform businesses, local government units, assistance providers, and other interested persons of changes in state and federal law related to economic development; and

(16) annually convene conferences of providers of economic development related financial and technical assistance for the purposes of exchanging information on economic development assistance, coordinating economic development activities, and formulating economic development strategies.

Sec. 2. Minnesota Statutes 1988, section 116J.68, subdivision 2, is amended to read:

Subd. 2. The bureau shall:

(a) provide information and assistance with respect to all aspects of business planning and business management related to the start-up, operation, or expansion of a small business in Minnesota;

(b) refer persons interested in the start-up, operation, or expansion of a small business in Minnesota to assistance programs sponsored by federal agencies, state agencies, educational institutions, chambers of commerce, civic organizations, community development groups, private industry associations, and other organizations;

(c) plan, develop, and implement a master file of information on small business assistance programs of federal, state, and local governments, and other public and private organizations so as to provide comprehensive, timely information to the bureau's clients;

(d) (c) employ staff with adequate and appropriate skills and education and training for the delivery of information and assistance;

(e) (d) seek out and utilize, to the extent practicable, contributed expertise and services of federal, state, and local governments, educational institutions, and other public and private organizations;

(f) (e) maintain a close and continued relationship with the director of the procurement program within the department of administration so as to facilitate the department's duties and responsibilities under sections 16B.19 to 16B.22 relating to the small business set aside program of the state;

(g) (f) develop an information system which will enable the commissioner and other state agencies to efficiently store, retrieve, analyze, and exchange data regarding small business development and growth in the state. All executive branch agencies of state government and the secretary of state shall to the extent practicable, assist the bureau in the development and implementation of the information system;

(h) establish and maintain a toll free telephone number so that all small business persons anywhere in the state can call the bureau office for assistance. An outreach program shall be established to make the existence of the bureau well known to its potential clientele throughout the state;

(i) (g) conduct research and provide data as required by state legislature;

(j) (h) develop and publish material on all aspects of the start-up, operation, or expansion of a small business in Minnesota;

(k) (i) collect and disseminate information on state procurement opportunities, including information on the procurement process;

(l) (j) develop a public awareness program through the use of newsletters, personal contacts, and electronic and print news media advertising about state assistance programs for small businesses, including those programs specifically for socially disadvantaged small business persons;

(m) (k) publicize to small businesses the provisions of Laws 1983, chapter 188, requiring section 14.115 which requires consideration of small business issues in state agency rulemaking; and

(n) enter into agreements with the federal government and other public and private entities to serve as the statewide coordinator or

host agency for the federal small business development center program under United States Code, title 15, section 648.

Sec. 3. Minnesota Statutes 1988, section 116J.68, is amended by adding a subdivision to read:

Subd. 5. [BUSINESS ASSISTANCE REFERRAL SYSTEM.] The bureau shall develop and administer a referral system for persons interested in the start-up, operation, or expansion of small business in Minnesota. The bureau in establishing the system must at least do the following:

(1) create and continually update a data base which includes technical assistance and financial assistance providers or programs sponsored by federal agencies, state agencies, educational institutions, chambers of commerce, civic organizations, community development groups, local governments, private industry associations, and other organizations and individuals that provide assistance;

(2) establish and maintain a toll-free telephone number operated by trained staff familiar with the referral system and data base;

(3) maintain a marketing and outreach program informing persons interested in starting, operating, or expanding small business and assistance providers of the bureau and the business assistance referral system;

(4) establish an evaluation mechanism to determine if assistance providers have adequate expertise and resources to deliver quality services. Evaluation of assistance providers may be based on the ability of the provider to offer the advertised service, the training and experience of the provider, and the formal evaluation process used by the provider;

(5) assist providers in the evaluation of their programs and the assessment of their service area needs; and

(6) establish, where possible, regional data bases and referral systems.

Sec. 4. [ECONOMIC DEVELOPMENT ASSISTANCE PROVISION STUDY.]

The commissioner of trade and economic development shall study the current statewide system of providing economic development related assistance services to businesses and individuals interested in starting a business. The study must address the following:

(1) the types of assistance services currently provided in the state;

(2) the agencies or other entities that provide the services in clause (1);

(3) whether there is duplication of assistance services in specific regions of the state;

(4) the mechanisms that are in place to evaluate the services and the service providers;

(5) the mechanisms that are in place to coordinate the provision of assistance services among providers;

(6) factors that might impede the adequate evaluation and coordination of services;

(7) the current strategies or policies that govern the overall economic development system in the state; and

(8) recommendations to improve the evaluation and coordination of economic development related assistance services in the state. The commissioner may request the assistance of other state agencies, local government units, and other entities involved in economic development in the state to prepare this study.

The commissioner must submit a report to the governor and legislature by January 15, 1990, that contains the results of the study and recommendations to improve the overall provision of economic development related services in the state.

#### Sec. 5. [APPROPRIATION.]

Subdivision 1. \$260,000 is appropriated from the general fund for the biennium ending June 30, 1991, to the commissioner of trade and economic development for the business assistance information system established in section 3.

Subd. 2. \$250,000 is appropriated from the general fund for the biennium ending June 30, 1991, to the commissioner of trade and economic development for the statewide coordination and host agency duties of the federal small business development center program under section 2.

### ARTICLE 2

#### CAPITAL ACCESS PROGRAM

#### Section 1. [116J.876] [DEFINITIONS.]

Subdivision 1. [TERMS.] For the purposes of sections 1 to 11, the terms defined in this section have the meanings given them.

Subd. 2. [AGREEMENT.] "Agreement" means an agreement between a lender and the commissioner under which a lender may participate in the program.

Subd. 3. [BORROWER.] "Borrower" means the recipient of a loan which is, has been, or will be filed by the lender for enrollment under the program and meets the following requirements:

(1) the borrower is a corporation, partnership, joint venture, sole proprietorship, cooperative, or other entity, whether profit or non-profit, which is authorized to conduct business in the state; and

(2) the borrower is not an executive officer, director, or principal shareholder of the lender, or a member of the immediate family of an executive officer, director, or principal shareholder of the lender, or an entity controlled by an executive officer, director, principal shareholder, or member of the immediate family.

Subd. 4. [CAPITAL ACCESS ACCOUNT; ACCOUNT.] "Capital access account" or "account" means the account created in section 11.

Subd. 5. [CLAIM.] "Claim" means any claim filed by the lender under section 7.

Subd. 6. [COMMISSIONER.] "Commissioner" means the commissioner of trade and economic development.

Subd. 7. [EARLY LOAN.] "Early loan" means an enrolled loan where at the time of enrollment the amount of previously enrolled loans made by the lender under the program was less than \$5,000,000.

Subd. 8. [ELIGIBLE LOAN.] "Eligible loan" means a loan made by the lender to a borrower that meets the requirements of section 4.

Subd. 9. [ENROLLED LOAN.] "Enrolled loan" means a loan enrolled by the commissioner under the terms of section 5.

Subd. 10. [LENDER.] "Lender" means a financial institution as defined in section 13A.01, subdivision 2, that has entered into an agreement with the commissioner to participate in the program.

Subd. 11. [PASSIVE REAL ESTATE OWNERSHIP.] "Passive real estate ownership" means ownership of real estate for the purpose of deriving income from speculation, trade, or rentals, except that the term does not include (1) the ownership of that portion of real estate being used or intended to be used for the operation of the business of the owner of the real estate; or (2) ownership of real estate for the

purpose of construction or renovation until the completion of the construction or renovation phase.

Subd. 12. [PROGRAM.] "Program" means the capital access program created by sections 1 to 11.

Subd. 13. [RESERVE FUND.] "Reserve fund" means an administrative account maintained by the commissioner for funds accumulated under an agreement with the commissioner to cover losses sustained by the lender on enrolled loans.

Sec. 2. [116J.8761] [CAPITAL ACCESS PROGRAM; CREATION; ADMINISTRATION.]

A capital access program is created in the department of trade and economic development. The purpose of the capital access program is to provide capital to businesses, particularly small and medium sized businesses, to foster economic development. Loans made under this program are to be slightly riskier than conventional loans, but still offer a high degree of soundness in connection with the capital access program.

The commissioner has the power to administer the program, enter into contracts, and take action reasonably necessary to ensure compliance with the program. The lender shall provide the commissioner with information regarding its participation in the program as the commissioner may reasonably require. Upon notice to the lender, the commissioner may inspect the files of the lender relating to any loans enrolled under the program during normal business hours of the lender.

A lender is eligible to participate in the program upon entering into an agreement with the commissioner governing the duties of the commissioner and the lender under the program.

Sec. 3. [116J.8762] [COMMISSIONER; DUTIES.]

Subdivision 1. [DUTIES.] The commissioner must:

(1) market the capital access program to businesses and other persons in the state in cooperation with financial institutions and statewide associations representing financial institutions;

(2) establish a reservation or allocation system so that lenders may reserve an allocation of funds in the account before or after the lender enters into a loan agreement or contract with a borrower; and

(3) develop the program, in cooperation with financial institutions and statewide associations representing financial institutions, so that the degree of flexibility for the commissioner and the partici-

pating lenders is maximized and the state oversight of individual loans is minimized, and the fiscal integrity of the program is maintained.

Subd. 2. [INTERESTS OF COMMISSIONER.] Except upon the exercise of the commissioner's right of subrogation under section 8, the commissioner has no legal or equitable interest in any collateral, security, or other right of recovery in connection with any loan enrolled in the program, and the commissioner's consent is not necessary for any amendment to the lender's loan documents.

Sec. 4. [116J.8763] [ELIGIBLE LOANS.]

Subdivision 1. [LOAN TYPES.] Eligible loans may include:

- (1) loans made for industrial, commercial, or agricultural purposes;
- (2) refinancing of loans made for the purposes in clause (1); and
- (3) lines of credit agreements established between the lender and borrower which are used for the purposes in clause (1).

Subd. 2. [LOAN RESTRICTIONS.] Eligible loans must meet the following criteria:

- (1) the lender has not made the loan in order to enroll in the program prior debt which is not covered under the program and which is or was owed by the borrower to the lender;
- (2) the proceeds of the loan will not be used for that portion of a project or development devoted to housing;
- (3) the proceeds of the loan will not be used to finance passive real estate ownership; and
- (4) the proceeds of the loan will be used to finance a project or enterprise located within this state which will foster economic development in Minnesota.

Subd. 3. [LOAN PROVISIONS.] An eligible loan may provide for an interest rate, fees, and other terms and conditions as the lender and borrower may agree. If the loan amount to be borrowed is determined by a commitment agreement that establishes a line of credit, the amount of the loan is the maximum amount available to the borrower under the agreement.

Sec. 5. [116J.8764] [ENROLLMENT OF LOANS IN PROGRAM.]

Subdivision 1. [FILING REQUIREMENTS.] (a) To enroll a loan under this program, the lender must file a completed loan enrollment form with the commissioner. The lender must also certify the following to the commissioner as part of the filing:

(1) the lender has no substantial reason to believe that the loan is being made to a borrower who does not meet the requirements of section 1, subdivision 3;

(2) that the lender has received from the borrower a written representation, warranty, pledge, and waiver stating that the borrower has no legal, beneficial, or equitable interest in the nonrefundable premium charges or any other funds credited to the reserve fund established to cover losses sustained by the lender on enrolled loans;

(3) the loan being filed for enrollment is an eligible loan under section 4; and

(4) premium changes required of the borrower and lender under section 5 have been deposited in the reserve fund.

(b) The lender shall file the loan enrollment form within ten business days after the lender makes the loan. The date on which the lender makes a loan is the date on which the lender first disburses proceeds of the loan to the borrower or an earlier date on which the loan documents have been executed and the lender has obligated itself to disburse proceeds of the loan. The filing date of a loan enrollment form is the date on which the lender delivers the required documentation to the commissioner, delivers it to a professional courier service for delivery to the commissioner, or mails it to the commissioner by certified mail.

Subd. 2. [COMMISSIONER ENROLLMENT; ACKNOWLEDGMENT.] When the commissioner receives the loan enrollment form, the commissioner shall enroll the loan, unless the information provided under subdivision 1 indicates that the loan is not an eligible loan, and shall deliver to the lender within five business days of receipt an acknowledgment of enrollment, signed by the commissioner or designee, including documentation of the amount being transferred by the commissioner into the reserve fund under section 5.

Subd. 3. [AMOUNT COVERED.] When filing a loan enrollment form, the lender may specify an amount to be covered under the program. The amount may be less than the total amount of the loan. Unless the context clearly requires otherwise, when used in connection with a loan or loans, the words "amount" and "proceeds" refer only to the amount covered under the agreement.

Subd. 4. [AMOUNT COVERED IN REFINANCINGS.] (a) In the case of a loan to refinance a loan previously made to the borrower by the lender that was not enrolled under the program, the lender may obtain coverage under the program for an amount not exceeding the amount of additional financing.

(b) If an enrolled loan is refinanced and the total amount to be covered under the program does not exceed the covered amount of the loan as previously enrolled, the refinanced loan may continue as an enrolled loan without payment of additional premium charges or transfers by the commissioner to the reserve fund.

(c) If an enrolled loan is refinanced in an amount exceeding the amount of the loan as previously enrolled, the lender may obtain coverage of the amount of the refinanced loan that exceeds the amount covered when the loan was previously enrolled by refiling the loan for enrollment under subdivision 1.

(d) Fluctuations in the outstanding balance of a line of credit, without increasing the enrolled amount under the program, are not a refinancing of the loan.

Subd. 5. [TERMINATION OF ENROLLMENT.] If the outstanding balance of an enrolled loan which is not a line of credit is reduced to zero, the loan is no longer an enrolled loan. If an enrolled loan which is a line of credit has an outstanding balance of zero for a 12-month period, the line of credit is no longer an enrolled loan, unless, before the expiration of the 12-month period, the lender reaffirms in writing to the borrower that the line of credit will remain open and the borrower acknowledges the reaffirmation in writing.

#### Sec. 6. [116J.8765] [RESERVE FUND; PREMIUMS.]

Subdivision 1. [CREATION.] Upon execution of an agreement between the lender and the commissioner, the commissioner shall establish a reserve fund account with the lender in the name of the commissioner for the purpose of receiving all required premium charges to be paid by the lender and the borrower and transfers made by the commissioner under sections 1 to 11.

Subd. 2. [PREMIUM PAYMENTS AND TRANSFERS TO RESERVE FUND.] The premium charges payable to the reserve fund by the lender and the borrower in connection with a loan filed for enrollment are determined by the lender. The premium paid by the borrower may not be less than 1.5 percent nor greater than 3.5 percent of the amount of the loan. The premium paid by the lender shall be equal to the amount of the premium paid by the borrower. The lender may recover from the borrower the cost of the lender's premium payment, in any manner in which the lender and borrower agree. When enrolling a loan, the commissioner shall transfer into

the reserve fund from the account premium amounts determined as follows:

(a) If the amount of any loan, plus the amount of loans previously enrolled by the lender, is less than \$2,000,000, the premium amount transferred must be equal to 150 percent of the combined premiums paid into the reserve fund by the borrower and the lender for each enrolled loan.

(b) If, prior to the enrollment of the loan, the amount of loans previously enrolled by the lender equals or exceeds \$2,000,000, the premium amount transferred must be equal to the combined premiums paid into the reserve fund by the borrower and the lender for each enrolled loan.

(c) If the amount of loans previously enrolled by the lender is less than \$2,000,000, but the enrollment of a loan will cause the aggregate amount of all enrolled loans made by the lender to exceed \$2,000,000, the premium amount transferred must be equal to a percentage of the combined amount paid by the lender and the borrower. The percentage must be determined by (1) multiplying by 150 that portion of the loan which when added to the amount of all previously enrolled loans totals \$2,000,000, (2) multiplying the balance of the loan by 100, and (3) adding the products of the two amounts and dividing the sum by the total amount of the loan.

Subd. 3. [LIMITATION OF TRANSFERS.] A maximum premium amount of \$150,000 may be transferred into the reserve funds of all lenders participating in the program by the commissioner over any three-year period in connection with any one borrower or any group of borrowers among which a common enterprise exists. This maximum premium amount may be exceeded upon the written request by a lender only if the commissioner approves in writing the transfer of an amount in excess of \$150,000. For the purpose of this subdivision, the term "common enterprise" has the meaning given it in Code of Federal Regulations, title 12, section 32, as amended.

Subd. 4. [CONTROL AND INVESTMENT OF RESERVE FUND.] (a) All money credited to the reserve fund is under the exclusive control of the commissioner. The commissioner may not withdraw money from the reserve fund except as specifically provided in this subdivision and sections 7 and 9.

(b) Money in the reserve fund must be deposited by the commissioner in an account with the lender unless the commissioner determines that the lender is not in substantial compliance with the requirements of the agreement. If money in the reserve fund is not deposited by the commissioner in an account with the lender, it must be invested or reinvested by the commissioner in (1) direct obligations of the United States or the state of Minnesota or in obligations the principal and interest of which are unconditionally

guaranteed by the United States or the state of Minnesota, or (2) a deposit account at a depository institution whose deposits are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation.

(c) Interest or income earned on the money credited to the reserve fund is part of the reserve fund. The commissioner may withdraw at any time from the reserve fund 50 percent of all interest or income that has been credited to the reserve fund, except that after the first withdrawal the commissioner may not withdraw more than 50 percent of all interest or income that has been credited to the reserve fund since the time of the last withdrawal. Any withdrawal made under this subdivision may be made prior to paying any claim. None of the amounts withdrawn need to be transferred back to the reserve fund. Any withdrawal under this subdivision must be credited in the capital access account.

Subd. 5. [PLEDGE OF THE RESERVE FUND.] The commissioner shall pledge to the lender that the money in the reserve fund will be available to pay claims under section 7, that the lender will have a first security interest in the money in the reserve fund to pay the claims, and that the commissioner will not encumber or pledge the money to any other party.

Subd. 6. [QUARTERLY REPORTS; INSPECTIONS.] (a) If the reserve fund is not maintained with the lender, the commissioner shall provide to the lender quarterly transaction reports indicating the balance in the reserve fund, payments and transfers into the reserve fund, withdrawals from the reserve fund, and interest or income earned on money credited to the reserve fund.

(b) The records of the commissioner with respect to all payments and transfers into the reserve fund, withdrawals from the reserve fund, and interest or income earned on the money credited to the reserve fund, are available to the lender at the offices of the commissioner during normal business hours.

Sec. 7. [116J.8766] [CLAIMS BY LENDER TO RESERVE FUND.]

Subdivision 1. [CLAIM PROCESS.] (a) If the lender charges off all or part of an enrolled loan, the lender may file a claim with the commissioner. The claim must be filed contemporaneously with the charge-off.

(b) The lender's claim may include, in addition to the amount of principal charged off plus accrued interest, documented out-of-pocket expenses incurred in pursuing its collection efforts, including preservation of collateral. The amount of principal and accrued interest included in the claim may not exceed the principal amount covered under the program upon enrollment, plus accrued interest attributable to the covered principal amount.

(c) The lender shall determine when and how much to charge off on an enrolled loan in a manner consistent with its normal method for making these determinations on similar loans which are not enrolled loans.

(d) If the lender files two or more claims contemporaneously and there are insufficient funds in its reserve fund at that time to cover the entire amount of the claims, the lender may designate the order of priority in which the commissioner shall pay the claims.

Subd. 2. [DISBURSEMENT OF RESERVE FUND.] (a) Upon receipt by the commissioner of a claim filed by the lender, the commissioner shall, within ten business days, pay or authorize the lender to withdraw from the reserve fund the amount of the claim as submitted, unless the information provided by the lender was known by the lender to be false at the time the loan was filed for enrollment. No other violation of sections 1 to 11 or the agreement is grounds for denial of a claim.

(b) If there is insufficient money in the reserve fund to cover the entire amount of the lender's claim, the commissioner shall pay to the lender or authorize the lender to withdraw an amount equal to the current balance in the reserve fund and the following shall apply:

(1) If the enrolled loan for which the claim has been filed is not an early loan, the payment fully satisfies the claim, and the lender has no right to receive any further amount from the reserve fund with respect to that claim.

(2) If the loan is an early loan, the partial payment does not satisfy the lender's claim, and at any time that the remaining balance of the claim is not greater than 75 percent of the balance in the reserve fund at the time of the loss, the commissioner, upon request of the lender, shall pay the remaining balance of the claim.

Subd. 3. [RECOVERY BY LENDER SUBSEQUENT TO CLAIM.] If, subsequent to payment of a claim by the commissioner, the lender recovers from a borrower any amount for which payment of the claim was made, the lender shall promptly pay to the commissioner for deposit in the reserve fund the amount recovered, less any documented out-of-pocket expenses incurred. The lender need pay to the commissioner for deposit in the reserve fund only amounts in excess of the amount of recovery needed to fully cover the lender's loss on an enrolled loan.

For the purposes of this subdivision and section 8, the lender's loss on an enrolled loan includes any losses on the loan including principal, accrued interest, and documented out-of-pocket expenses attributable to principal amounts in excess of the amount covered under the program or the principal amount included in the claim.

## Sec. 8. [116J.8767] [SUBROGATION OF CLAIMS.]

Subdivision 1. [LIMITATION.] The commissioner may exercise the right of subrogation under this section if the commissioner determines, in the commissioner's discretion, that the lender has not exercised reasonable care and diligence in its collection activities with respect to the loan or that there is a reasonable basis for believing that the lender will not exercise reasonable care and diligence in the future with respect to the collection activities.

Subd. 2. [ASSIGNMENT OF RIGHTS.] If the payment of a claim has fully covered the lender's loss on an enrolled loan, or if the payment of a claim when combined with any recovery from the borrower has fully covered the lender's loss, the commissioner, upon request, is subrogated to the rights of the lender with respect to any collateral, security, or other right of recovery in connection with the loan that has not been realized by the lender. The lender thereafter shall assign to the commissioner any right, title, or interest to any collateral, security, or other right of recovery in connection with the loan.

Subd. 3. [LENDER OBLIGATIONS.] If an assignment has been made, the commissioner is not required to undertake any obligations of the lender under its loan documents, except for any obligations directly related to the commissioner's assigned rights of recovery in connection with the loan. The lender shall fulfill any other obligations it may have under the loan documents in the same manner and to the same degree as required had the assignment not been made. The lender shall provide the commissioner with all reasonable assistance the commissioner requests in proceeding with respect to any collateral, security, or other right of recovery, except that the lender need not incur any out-of-pocket expenses.

Subd. 4. [PAYMENT OF LENDER'S LOSS.] If the commissioner decides to exercise the right of subrogation in connection with an enrolled loan and would be entitled to exercise the right except for the fact that the lender's loss has not been fully covered, the commissioner may pay from money in the reserve fund an amount sufficient to fully cover the lender's loss even though the payment may cover a principal amount not covered under the program or not included in the lender's claim. Upon making the payment, the commissioner is subrogated to the rights of the lender.

Subd. 5. [RECOVERED FUNDS.] Any money received by the commissioner as a result of enforcement actions taken with respect to any collateral, security, or other rights of recovery must be promptly deposited by the commissioner in the reserve fund, less any out-of-pocket expenses incurred by the commissioner in taking such enforcement actions.

## Sec. 9. [116J.8768] [EXCESS RESERVE FUNDS.]

Subdivision 1. [REPORTS.] The lender shall file quarterly reports with the commissioner indicating the number and aggregate outstanding balance of all enrolled loans as of the end of each quarter. A quarterly report is not required for any quarter that ends with a balance in the reserve fund of zero, except that a calendar year-end report must be filed. In computing the aggregate outstanding balance of all enrolled loans, the balance of any loan may not be greater than the covered amount of the loan as enrolled.

Subd. 2. [WITHDRAWAL OF EXCESS RESERVE FUNDS.] (a) If reports filed under this section indicate that for the immediately preceding 24-month period the balance in the reserve fund continually exceeded the aggregate outstanding balance of all enrolled loans, the commissioner may withdraw from the reserve fund, on or before the last day of the month for which a report is due, an amount not greater than the amount by which the reserve fund balance exceeded the aggregate outstanding balance of all enrolled loans as of the most recent report, unless the lender has provided to the commissioner adequate documentation that at some time during that 24-month period the aggregate outstanding balance of all enrolled loans exceeded the balance then in the reserve fund. Any amounts withdrawn from the reserve fund must be transferred to the account.

(b) If a report is not filed within 30 days of its original due date, the commissioner may withdraw from the reserve fund based on the commissioner's determination from an inspection of the lender's files an amount not greater than the amount by which the reserve fund balance exceeded the aggregate outstanding balance of all enrolled loans as of the date for which the report was required to be filed.

## Sec. 10. [116J.8769] [TERMINATION.]

The commissioner may terminate the obligation to a lender to enroll loans under the program if the commissioner determines that the lender is not in substantial compliance with the requirements of the program. The termination takes effect on the date specified in the notice of termination, except that the termination does not apply to any loan made on or before the date on which the notice of termination is received by the lender. If the commissioner is terminating the enrollment of loans for all participating lenders under the program, the commissioner shall provide notice of at least 90 days to the lender. Any terminations under this section are prospective only and do not apply to any loans previously refinanced. After termination, the amount covered under the program may not be increased beyond the covered amount as previously enrolled.

## Sec. 11. [116J.877] [CAPITAL ACCESS ACCOUNT.]

A capital access account is created in the general fund. The account consists of all appropriations to the account, repayments from the reserve funds, interest and investment earnings of the reserve funds, gifts and grants to the account, and the interest and investment earnings of the account. The account is not subject to section 16A.28.

## Sec. 12. [APPROPRIATION.]

\$2,000,000 is appropriated from the general fund to the capital access account for the capital access program described in sections 1 to 11.

Delete the title and insert:

"A bill for an act relating to economic development; establishing a referral system for small businesses; coordinating and marketing technical assistance in the state; requiring the department of trade and economic development to be the host agency for the small business development center program; requiring a study of technical assistance provision; establishing the capital access program; appropriating money; amending Minnesota Statutes 1988, sections 116J.58, subdivision 1; and 116J.68, subdivision 2, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 116J."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Financial Institutions and Housing.

The report was adopted.

Begin from the Committee on Labor-Management Relations to which was referred:

H. F. No. 652, A bill for an act relating to employment; providing funding for the Bemidji Area Indian Employment Council; appropriating money.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 661, A bill for an act relating to pollution; regulating the disposal of infectious and pathological wastes; providing for penalties for violation; appropriating money; amending Minnesota Statutes, section 609.671, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 116.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [116.75] [CITATION.]

Sections 1 to 13 may be cited as the “infectious waste control act.”

Sec. 2. [116.76] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 1 to 13.

Subd. 2. [AGENCY.] “Agency” means the pollution control agency.

Subd. 3. [RESEARCH ANIMAL WASTE.] “Research animal waste” means waste including carcasses, body parts, blood, and bedding of animals that were exposed to infectious agents during research, production of biologicals, or testing of pharmaceuticals.

Subd. 4. [BLOOD.] “Blood” means human blood and blood products including serum, plasma, and other blood components which are in containers or which drips freely from blood-soaked solid waste items.

Subd. 5. [COMMISSIONER.] “Commissioner” means the commissioner of the pollution control agency.

Subd. 6. [DECONTAMINATION.] “Decontamination” means rendering infectious waste safe for routine handling as a solid waste.

Subd. 7. [DEPARTMENT.] “Department” means the department of health.

Subd. 8. [GENERATOR.] “Generator” means a physician, dentist, acupuncture specialist, veterinarian, nurse, mortician, or other persons or facilities that generate infectious waste.

Subd. 9. [HOUSEHOLD.] “Household” means a single detached dwelling unit or a single unit of a multiple dwelling.

Subd. 10. [INFECTIOUS AGENT.] "Infectious agent" means an organism that is capable of producing infection or infectious disease in humans.

Subd. 11. [INFECTIOUS WASTE.] "Infectious waste" means laboratory waste, blood, regulated body fluids, sharps, and research animal waste that have not been decontaminated and any pathological waste that the generator has reason to believe carries an infectious agent.

Subd. 12. [LABORATORY WASTE.] "Laboratory waste" means cultures and stocks of infectious agents; discarded contaminated items used to inoculate, transfer, or otherwise manipulate cultures or stocks of infectious agents; wastes from the production of biological agents; and discarded live or attenuated vaccines.

Subd. 13. [PATHOLOGICAL WASTE.] "Pathological waste" means human tissues and body parts removed during surgery and autopsy which are intended for waste disposal.

Subd. 14. [PERSON.] "Person" means any individual, partnership, association, public or private corporation, or other entity including the United States government, any interstate body, the state, and any agency, department, or political subdivision of the state.

Subd. 15. [REGULATED HUMAN BODY FLUIDS.] "Regulated human body fluids" means cerebrospinal fluid, synovial fluid, pleural fluid, peritoneal fluid, pericardial fluid, and amniotic fluid which are in containers or which drip freely from body fluid soaked solid waste items.

Subd. 16. [SHARPS.] "Sharps" means all discarded items which can induce subdermal inoculation of infectious agents including items derived from human or animal patient care, blood banks, laboratories, mortuaries, research facilities, and industrial operations. Sharps at least include glass or rigid plastic containers of materials defined as infectious and needles, scalpels, and pipettes.

### Sec. 3. [116.77] [COVERAGE.]

Sections 1 to 13 and section 609.671, subdivision 10, cover any person who generates, treats, stores, transports, or disposes of infectious or pathological waste except infectious or pathological waste generated by a household. Except as specifically provided, sections 1 to 13 do not limit or alter treatment or disposal methods for infectious or pathological waste.

Sec. 4. [116.78] [MANAGEMENT.]

Subdivision 1. [SEGREGATION.] All untreated infectious waste must be segregated from other waste material at its point of generation and maintained in separate packaging throughout collection, storage, and transport. Infectious waste must be packaged, contained, and transported in a manner that prevents release of the waste material.

Subd. 2. [LABELING.] All bags, boxes, and other containers used to collect, transport, or store infectious waste must be clearly labeled with a biohazard symbol or with the words "infectious waste" written in letters no less than one inch in height.

Subd. 3. [REUSABLE CONTAINERS.] Containers which have been in direct contact with infectious waste must be disinfected prior to reuse.

Subd. 4. [SHARPS.] All sharps waste including those generated by households must be placed and disposed of in puncture-resistant containers. Except for those generated by households, sharps shall not be compacted or mixed with other waste material and shall not be disposed of at refuse derived fuel facilities or at other facilities where waste is hand sorted.

Subd. 5. [NONINFECTIOUS PATHOLOGICAL WASTE.] Noninfectious pathological waste must be disposed of according to sanitary standards established by state or federal laws or regulations for the disposal of such wastes.

Subd. 6. [MIXTURE WITH OTHER WASTES.] Infectious waste must not be compacted or mixed with other waste material prior to off-site incineration or disposal in a manner authorized by state law. A person may place other waste materials except for hazardous or radioactive waste inside a properly labeled infectious waste container but must manage the entire contents as infectious waste.

Sec. 5. [116.79] [STORAGE AT GENERATOR SITE.]

Infectious or pathological waste must be stored in a specially designated area that is designed to prevent the entry of vermin and that prevents access by unauthorized persons.

Sec. 6. [116.80] [AUTOCLAVE OPERATION OR CHEMICAL DECONTAMINATION.]

Facilities may decontaminate infectious waste using appropriate chemicals or autoclaves. Facilities that use autoclaves to decontaminate infectious waste must maintain a log of the operating temperature and time for each load of infectious waste that is autoclaved.

## Sec. 7. [116.81] [WASTE FROM OTHER STATES.]

No person shall transport infectious or pathological waste for financial gain into the state for treatment, storage, or disposal unless the waste is packaged, contained, labeled, and transported in the manner required by sections 4 to 6.

## Sec. 8. [116.82] [MANAGEMENT PLANS.]

Subdivision 1. [PREPARATION OF MANAGEMENT PLANS.] (a) A person in charge of a facility that generates, stores, decontaminates, incinerates, or disposes of infectious or pathological waste must prepare a management plan for the infectious or pathological waste handled by the facility.

(b) The management plan must describe, to the extent the information is applicable to the facility:

(1) the type of infectious waste and pathological waste that the person generates or handles;

(2) the segregation, packaging, labeling, collection, storage, and transportation procedures for the infectious waste or pathological waste that will be followed;

(3) the decontamination or disposal methods for the infectious or pathological waste that will be used;

(4) the transporters and disposal facilities that will be used for the infectious waste;

(5) the steps that will be taken to minimize the exposure of employees to infectious agents throughout the process of disposing of infectious or pathological wastes; and

(6) the name of the individual responsible for the management of the infectious waste or pathological waste.

(c) The management plan must be kept at the facility.

(d) Management plans must be accompanied by a statement of the quantity of infectious and pathological waste generated, decontaminated, stored, incinerated, or disposed of at the facility during the previous two-year period. Quantities may be reported by weight, volume, or number and capacity of containers.

(e) A management plan must be updated and resubmitted at least once every two years.

Subd. 2. [FEDERAL MANAGEMENT PLAN.] Notwithstanding subdivision 1, paragraph (b), a management plan that complies with federal regulations applicable to such plans is sufficient to meet the other requirements of this section.

Subd. 3. [COMPLIANCE WITH MANAGEMENT PLANS.] A facility or entity that prepares a management plan must comply with the management plan.

Subd. 4. [GENERATORS' PLANS.] (a) Management plans prepared by facilities that generate infectious or pathological waste must be submitted to the commissioner of health with a fee of \$150 for facilities with 25 or more employees, or a fee of \$25 for facilities with less than 25 employees. The fee must be credited to an infectious waste account.

(b) A person who begins the generation of infectious or pathological waste after January 1, 1990, must submit to the commissioner of health a copy of the person's management plan prior to initiating the handling of the infectious or pathological waste.

(c) If a generator also incinerates or disposes of infectious or pathological waste, a separate management plan must be prepared for the incineration or disposal activities.

(d) The commissioner of health must establish a procedure for randomly reviewing the plans.

(e) The commissioner of health may require a management plan of a generator to be modified if the commissioner of health determines that the plan is not consistent with state or federal law or that the plan is not adequate to minimize exposure of persons to the infectious or pathological waste.

Subd. 5. [PLANS FOR STORAGE, DECONTAMINATION, INCINERATION, AND DISPOSAL FACILITIES:] (a) A person who stores or decontaminates infectious or pathological waste, other than at the facility where the waste was generated, or a person who incinerates or disposes of infectious or pathological waste, must submit a copy of the management plan to the commissioner of the pollution control agency with a fee of \$150. The fee must be credited to an infectious waste account.

(b) The commissioner shall review the plans and may require a plan to be modified within 90 days after the plan is submitted if the commissioner determines that the plan is not consistent with state or federal law or that the plan is not adequate to minimize exposure of persons to the waste.

Sec. 9. [116.83] [REGISTRATION OF COMMERCIAL TRANSPORTERS.]

Subdivision 1. [REGISTRATION REQUIRED.] No person may transport infectious waste in Minnesota for financial gain unless the person has first registered with the commissioner as an infectious waste transporter. The commissioner shall issue a registration card with a unique registration number to the registrant unless the commissioner finds that registrant has outstanding unresolved violations of this section or a history of serious violations of chapter 115, 115A, 115B, or 116. The registration card must include the date the card expires. A transporter covered by this section must reregister with the commissioner every two years.

Subd. 2. [TRANSFER OF INFECTIOUS WASTE.] A generator must not transfer infectious or pathological waste to a commercial transporter unless the transporter is registered with the commissioner. A transporter must not deliver infectious waste to a facility not authorized to accept the waste. A person who is registered to transport infectious waste may not refuse waste generated from a facility that is noninfectious pathological waste, has been properly decontaminated, or that is properly packaged and labeled as "infectious waste."

Subd. 3. [SUBMISSION OF MANAGEMENT PLANS.] In order to obtain a registration card, any person who transports infectious waste must by January 1, 1990, and every two years thereafter, submit to the commissioner the management plan required by section 8. The commissioner shall review the plans and may require a plan to be modified within 90 days after the plan is submitted if the commissioner determines that the plan is not consistent with state or federal law or that the plan is not adequate to minimize exposure of persons to the waste. Management plans must be accompanied by a statement of the total quantity of infectious waste transported during the previous two years. Quantities may be reported by weight, volume, or number and capacity of containers.

Sec. 10. [116.84] [RULES.]

The department may adopt rules to implement sections 1 to 9 that affect generators, and the agency may adopt rules to implement sections 1 to 9 that affect other persons subject to these sections.

Sec. 11. [116.85] [ENFORCEMENT.]

Subdivision 1. [STATE RESPONSIBILITIES.] Either the agency or the department may enforce any requirement of sections 1 to 10. The department is primarily responsible for enforcement involving generators. The agency is primarily responsible for enforcement involving other persons subject to sections 1 to 13.

Subd. 2. [ENFORCEMENT AUTHORITY.] The agency and the department may enforce sections 1 to 10 under sections 115.071 and 116.072.

Subd. 3. [ACCESS TO INFORMATION AND PROPERTY.] The agency or the department, or any member, employee, or agent thereof authorized by the agency or department, upon presentation of credentials, may during regular business hours:

(1) examine and copy any books, records, memoranda, or data that is related to compliance with sections 1 to 9; and

(2) enter upon any property, public or private, regulated by sections 1 to 9 for the purpose of taking any action authorized by this section including obtaining information and conducting investigations except that this clause does not apply to a patient treatment area until vacated by the patient.

Sec. 12. [116.86] [AUTHORITY OF LOCAL GOVERNMENT.]

Subdivision 1. [AUTHORITY; ENFORCEMENT.] No county, municipality, or other local unit of government may adopt a definition of infectious or pathological waste that differs from the definitions in section 2, or management requirements for infectious waste that differ from the requirements of sections 4 and 8. Sections 1 to 10 may be enforced by a county under the authority granted to the department and the agency in section 11. Separate enforcement actions may not be brought by a state agency and a county for the same violations.

Subd. 2. [LOCAL SOLID WASTE AUTHORITY.] (a) Sections 2 to 6 do not affect local implementation of collection, storage, or disposal of solid waste that does not contain infectious or pathological waste.

(b) Sections 2 to 6 do not affect county authority under other law to regulate and manage solid waste that does not contain infectious or pathological waste.

(c) A political subdivision, as defined in section 115A.03, subdivision 24, may not require a refuse derived fuel facility to accept infectious waste or pathological waste.

Sec. 13. [116.87] [STUDY.]

The agency, in consultation with the department, shall study the feasibility of establishing a collection system for sharps generated by households.

Sec. 14. Minnesota Statutes 1988, section 609.671, is amended by adding a subdivision to read:

Subd. 10. [INFECTIOUS WASTE.] Any person who knowingly, or with reason to know, disposes of infectious waste as defined in section 2 or arranges for the disposal of infectious waste at a location or in a manner that has not been authorized by state law is guilty of a gross misdemeanor and may be sentenced to imprisonment for not more than one year, or to pay a fine of not more than \$10,000, or both. A person convicted for a second or subsequent offense may be sentenced to imprisonment for not more than two years, or to pay a fine of not more than \$25,000, or both.

Sec. 15. [APPROPRIATIONS.]

Subdivision 1. \$ . . . . . is appropriated from the special fees fund to the commissioner of the pollution control agency for the biennium ending June 30, 1991, to prepare educational material for distribution to infectious and pathological waste generators and transporters; treatment, storage, and disposal facility operators; households that generate infectious waste; and to the general public.

Subd. 2. \$ . . . . . is appropriated from the special fees fund to the commissioner of the pollution control agency for the biennium ending June 30, 1991, for carrying out the requirements of sections 1 to 13. The agency's complement is increased by five persons.

Subd. 3. \$ . . . . . is appropriated from the special fees fund to the commissioner of the department of health for the biennium ending June 30, 1991, for carrying out the requirements of sections 1 to 13. The department's complement is increased by . . . . . persons.

Sec. 16. [EFFECTIVE DATE.]

Sections 2, 3, and 10 are effective the day after final enactment. Sections 4 to 9, 11, and 12, are effective January 1, 1990."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Health and Human Services.

The report was adopted.

Otis from the Committee on Economic Development to which was referred:

H. F. No. 719, A bill for an act relating to economic development; authorizing certain local jurisdictions to contribute to local or

regional economic development organizations; proposing coding for new law in Minnesota Statutes, chapter 469.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Local Government and Metropolitan Affairs.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 735, A bill for an act relating to traffic regulations; providing for special permit for special vehicle; setting a fee; amending Minnesota Statutes 1988, sections 169.825, by adding a subdivision; and 169.86, subdivision 5.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Otis from the Committee on Economic Development to which was referred:

H. F. No. 738, A bill for an act relating to economic development; establishing a small business innovation research bridge grant program; appropriating money.

Reported the same back with the following amendments:

Page 1, line 17, delete "local community" and insert "home rule charter or statutory city, local economic development entity established under chapter 469, or the department of trade and economic development."

Page 1, delete line 18

Page 2, delete lines 1 to 5 and insert:

"\$1,500,000 is appropriated from the general fund as a grant to Minnesota project innovation for the SBIR bridge grant program established under section 1."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 770, A bill for an act relating to state lands; directing conveyance of a certain tract in Beltrami county.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 916, A bill for an act relating to metropolitan government; providing a salary range and specifying responsibilities for the chair of the waste control commission; amending Minnesota Statutes 1988, sections 15A.081, subdivisions 1 and 7; and 473.141, subdivision 3.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Skoglund from the Committee on Insurance to which was referred:

H. F. No. 956, A bill for an act relating to insurance; clarifying the calculation of underinsured motorist benefits; amending Minnesota Statutes 1988, section 65B.49, subdivisions 3a and 4a.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 961, A bill for an act relating to human services; increasing asset and income guidelines for spouses of institutionalized medical assistance recipients; proposing coding for new law in Minnesota Statutes, chapter 256B.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 970, A bill for an act relating to employees; providing for a wage protection program; appropriating money; 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 Appropriations.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 989, A bill for an act relating to trade practices; providing for payment to farm implement retailer by the manufacturer, wholesaler, or distributor who repurchases stock and inventory; amending Minnesota Statutes 1988, section 325E.06, subdivisions 1, 4, and 5.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 1014, A bill for an act relating to mechanics' liens; allowing owner to request statement of actual charges; requiring subcontractor to make good faith estimate of charges; amending Minnesota Statutes 1988, section 514.011, subdivision 2.

Reported the same back with the following amendments:

Page 2, line 6, strike "We estimate our charges"

Page 2, strike lines 7 and 8

Page 2, delete lines 9 to 12 and insert:

"We will supply you with a good-faith estimate of our charges upon your written request."

Page 2, delete lines 25 to 30

Page 2, line 31, delete "(d)" and insert "(b)"

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 1090, A bill for an act relating to consumer protection; regulating landscape application contracts; providing penalties and remedies; proposing coding for new law in Minnesota Statutes, chapter 325F.

Reported the same back with the following amendments:

Page 1, line 12, delete "grass,"

Page 1, line 22, delete "an estimate of"

Page 1, line 24, delete "an estimate of"

Page 2, delete lines 11 to 18 and insert:

"Subd. 4. [ANNUAL NOTICE TO PROPERTY OWNER.] If a contract is for more than one year, then the commercial application company shall each year provide written notice to the property owner that the contract remains in effect and that landscape applications will resume according to the terms of the contract. The written notice must be provided to the property owner at least 15 days prior to the first landscape application of the year."

Page 2, line 33, after "commodities" insert "or any commodity for sale"

With the recommendation that when so amended the bill pass.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 1116, A bill for an act relating to health; providing identification cards to persons requiring special diets; exempting persons requiring special diets from public facility prohibitions on outside food and drink; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 145.

Reported the same back with the following amendments:

Page 2, line 4, delete everything after the period and insert "Special diet identification cards shall be valid for five years."

Page 2, delete line 5

Page 2, line 6, delete "card is applied for."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1117, A bill for an act relating to occupations and professions; regulating the practice of accountancy; creating standards of care; amending Minnesota Statutes 1988, sections 326.165; 326.20, subdivision 1; 326.211, subdivision 6; and 326.212, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 326.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Skoglund from the Committee on Insurance to which was referred:

H. F. No. 1155, A bill for an act relating to insurance; life and health; regulating policy and contract provisions, coverages, certain cost-containment mechanisms, cancellations and nonrenewals, trade and marketing practices, and remedies in these and other lines; making technical changes; amending Minnesota Statutes 1988, sections 45.025, subdivision 8; 45.027, subdivision 7; 45.028, subdivision 1; 61A.011, subdivision 1; 61A.092, subdivision 3; 61B.03, subdivision 6; 62A.01; 62A.041; 62A.08; 62A.09; 62A.17, subdivision 2; 62A.46, by adding a subdivision; 62A.48, subdivision 1; 62B.01; 62B.04, subdivision 1; 62D.12, by adding a subdivision; 62E.06, subdivision 1; 72A.20, subdivision 15, and by adding subdivisions; 72A.325; and 149.11; proposing coding for new law in Minnesota Statutes, chapters 60A; 62A; 65A; and 72A; repealing Minnesota Statutes 1988, sections 60A.23, subdivision 7; and 72A.13, subdivision 2.

Reported the same back with the following amendments:

Page 3, line 8, after "writes" insert "or renews"

Page 3, line 9, after "premiums" insert "except that a cancellation may be based on violations or misconduct by the agent. The standards and requirements must be set forth by the insurer in the contract between the insurer and the agent"

Page 3, line 11, after "writes" insert "or renews"

Page 4, line 36, delete "For purposes of chapters 62A"

Page 5, delete lines 1 to 3, and insert "A certificate of insurance or similar evidence of coverage issued to a Minnesota resident shall provide coverage for all benefits required to be covered in group policies in Minnesota by chapters 62A and 62E."

Page 5, lines 17 and 19, after "policyholder" insert "or certificate holder"

Page 5, lines 19 and 20, delete "or other resident"

Page 5, line 22, after "policy" insert "or certificate" and delete "20" and insert "25"

Page 5, line 24, delete "five" and insert "25" and after the semicolon insert "and"

Page 5, line 27, delete "; and" and insert a period

Page 5, delete lines 28 and 29 and insert:

"This subdivision applies to employers who are not corporations if they are policyholders or certificate holders providing coverage to employees through the certificate or policy.

Subd. 4. [APPLICATION OF OTHER LAWS.] Section 60A.08, subdivision 4, shall not be construed as requiring a certificate of insurance or similar evidence of insurance that meets the conditions of subdivision 3 to comply with chapter 62A or 62E."

Page 7, line 3, after "of" insert "the need for" and after the period insert "The insured or an authorized representative of the insured shall notify the insurer as soon after the beginning of emergency confinement or emergency treatment as reasonably possible."

Page 7, line 4, delete "can show" and insert "suffers"

Page 7, line 28, delete "only" and insert "either"

Page 7, line 29, before the period insert "or adjust the benefits to reflect the actual age and the premium"

Page 8, after line 13, insert:

"Sec. 13. Minnesota Statutes 1988, section 62A.15, subdivision 3a, is amended to read:

Subd. 3a. [NURSING SERVICES.] All benefits provided by a policy or contract referred to in subdivision 1, relating to expenses incurred for medical treatment or services of a duly licensed physician must include services provided by a registered nurse who is licensed pursuant to section 148.171 and who is certified by the profession to engage in advanced nursing practice. "Advanced nursing practice" means the performance of health services by professional nurses who have gained additional knowledge and skills through an organized program of study and clinical experience preparing nurses for advanced practice roles as nurse anesthetists, nurse midwives, nurse practitioners, or clinical specialists in psychiatric or mental health nursing. The program of study must be beyond the education required for registered nurse licensure and must meet criteria established by the professional nursing organization having authority to certify the registered nurse in advanced nursing practice, ~~and appear on a list established and maintained by the board of nursing through rulemaking.~~ The board of nursing shall, by rule, adopt a list of professional nursing organizations which have the authority to certify nurses in advanced nursing practice for the purposes of this subdivision.

This subdivision is intended to provide payment of benefits for treatment and services by a licensed registered nurse certified in advanced nursing practice as defined in this subdivision and is not intended to add to the benefits provided for in these policies or contracts."

Page 8, line 31, after "If" insert "the employee becomes covered under another group policy, contract, or health plan and"

Page 8, line 33, after "may" insert ", subject to the 18-month maximum continuation limit,"

Page 10, line 30, after "payment" insert "to a person who is covered when the services are provided"

Page 10, line 32, delete "promptly"

Page 10, line 36, after "payment" insert "for the authorized

service or time period" and after "fraud" insert "or substantive misrepresentation"

Page 12, line 5, delete "16, and 22" and insert "17, and 23"

Page 16, line 6, delete "five" and insert "ten"

Page 16, line 7, after "request" insert "and all information reasonably necessary to make a decision on the request"

Page 17, line 28, after the second "or" insert "individual"

Page 18, line 15, after "obtained" insert "by an insurer or a representative of an insurer"

Page 18, line 22, after "loss" insert "or claims"

Page 18, line 25, delete "insured" and insert "policy holder"

Page 18, line 27, after the period insert "The insurer is not required to provide the information if the policy covers the employee of more than one employer and the information is not maintained separately for each employer and not all employers request the data."

This subdivision does not apply to individual life and health insurance policies or personal automobile or homeowners insurance policies."

Page 20, line 28, after "experimental," insert "investigative,"

Page 24, line 14, delete everything after "12," and insert "13, 15, 17, 19, 20, 21, 22, 24, 26, 28, 29, 33, and 34"

Page 24, line 15, delete everything before "are"

Page 24, line 19, delete "15" and insert "16"

Page 24, line 21, delete "30" and insert "31"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 11, after "62A.09;" insert "62A.15, subdivision 3a;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1181, A bill for an act relating to metropolitan government; regulating budgets; amending Minnesota Statutes 1988, section 473.1623, subdivision 4, and by adding subdivisions.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 473.145, is amended to read:

473.145 [DEVELOPMENT GUIDE.]

The metropolitan council shall prepare and adopt, after appropriate study and such public hearings as may be necessary, a comprehensive development guide for the metropolitan area. It shall consist of a compilation of policy statements, goals, standards, programs, and maps prescribing guides for an orderly and economic economical development, public and private, of the metropolitan area. The comprehensive development guide shall recognize and encompass physical, social, or economic needs of the metropolitan area and those future developments which will have an impact on the entire area including but not limited to such matters as land use, parks and open space land needs, the necessity for and location of airports, highways, transit facilities, public hospitals, libraries, schools, and other public buildings.

Sec. 2. Minnesota Statutes 1988, section 473.1623, subdivision 4, is amended to read:

Subd. 4. [FINANCIAL REPORTING; BUDGETING.] (a) The advisory committee, with the assistance of the state auditor and the legislative auditor, shall develop uniform or consistent standards, formats, and procedures for the budgets and financial reports of the council and all metropolitan agencies. The council shall report to the legislature from time to time on progress made by the committee in improving the uniformity and quality of budgets and financial reports and on legislation that may be needed for this purpose. The council and all metropolitan agencies shall publish the budgets and reports on recyclable paper, using the minimum practical number of colors, and shall otherwise minimize expensive printing costs.

(b) The council and each metropolitan agency shall prepare a summary budget for agency fiscal year 1988 and each year thereafter. The advisory committee, with the assistance of the state auditor and the legislative auditor, shall develop guidelines and models for the summary budgets. The purpose of the summary

budget is to increase public knowledge and agency accountability by providing citizens outside of the agency with a condensed, accessible, and graphic description of the financial affairs of the agency. The document should contain a coherent, effectively communicated, understandable statement of: financial trends and forecasts; budget policies and policy changes; agency financial assumptions, objectives and plans; revenue sources and expenditures by program category; personnel policies, decisions, and allocation; budgetary performance measures; and similar matters serving the purpose of the document.

(e) The council and each metropolitan agency shall include in the annual budget:

(1) a statement of the reserve or fund balance carried forward at the end of the budget year, for at least the two preceding fiscal years;

(2) a comparison of budgeted and actual expenditures, reported by department and, if the agency has a program budget, by program, for at least the two preceding fiscal years; and

(3) a listing of proposed or anticipated consulting contracts or projects and the amount of each contract or project.

Sec. 3. Minnesota Statutes 1988, section 473.1623, is amended by adding a subdivision to read:

Subd. 4a. [SUMMARY BUDGET.] The council and each metropolitan agency shall prepare a summary budget for agency fiscal year 1988 and each year thereafter. The advisory committee, with the assistance of the state auditor and the legislative auditor, shall develop guidelines and models for the summary budgets. The purpose of the summary budget is to increase public knowledge and agency accountability by providing citizens outside of the agency with a condensed, accessible, and graphic description of the financial affairs of the agency. The document should contain a coherent, effectively communicated, understandable statement of: financial trends and forecasts; budget policies and policy changes; agency financial assumptions, objectives, and plans; revenue sources and expenditures by program category; personnel policies, decisions, and allocation; budgetary performance measures; and similar matters serving the purpose of the document.

Sec. 4. Minnesota Statutes 1988, section 473.1623, is amended by adding a subdivision to read:

Subd. 4b. [ANNUAL BUDGET.] The council and each metropolitan agency shall include in the annual budget:

(1) a statement of the reserve or fund balance carried forward at the end of the budget year, for at least the two preceding fiscal years;

(2) a comparison of budgeted and actual expenditures, reported by department and, if the agency has a program budget, by program, for at least the two preceding fiscal years;

(3) a comparison of budgeted and actual revenues, reported by revenue source, for at least the two preceding fiscal years; and

(4) a listing, by contract or project, of proposed or anticipated expenditures for consultants and professional, technical, and other similar services.

Sec. 5. Minnesota Statutes 1988, section 473.167, subdivision 3, is amended to read:

Subd. 3. [TAX.] The council may levy a tax on all taxable property in the metropolitan area, as defined in section 473.121, to provide funds for loans made pursuant to subdivisions 2 and 2a. This tax for the right-of-way acquisition loan fund shall be certified by the council, levied, and collected in the manner provided by section 473.13. The tax shall be in addition to that authorized by section 473.249 and any other law and shall not affect the amount or rate of taxes which may be levied by the council or any metropolitan agency or local governmental unit. The amount of the levy shall be as determined and certified by the council, except as otherwise provided in this subdivision.

The property tax levied by the metropolitan council for the right-of-way acquisition loan fund shall not exceed the following amount for the years specified:

(a) for taxes payable in 1988, the product of 5/100 of one mill multiplied by the total assessed valuation of all taxable property located within the metropolitan area as adjusted by the provisions of Minnesota Statutes 1986, sections 272.64; 273.13, subdivision 7a; and 275.49;

(b) for taxes payable in 1989, except as provided in section 473.249, subdivision 3, the product of (1) the metropolitan council's property tax levy limitation for the right-of-way acquisition loan fund for the taxes payable year 1988 determined under clause (a) multiplied by (2) an index for market valuation changes equal to the assessment year 1988 total market valuation of all taxable property located within the metropolitan area divided by the assessment year 1987 total market valuation of all taxable property located within the metropolitan area; and

(c) for taxes payable in 1990, an amount not to exceed \$2,300,000; and

(d) for taxes payable in 1990 1991 and subsequent years, the product of (1) the metropolitan council's property tax levy limitation for the right-of-way acquisition loan fund for the previous year taxes payable in 1988 determined pursuant to this subdivision under clause (a) multiplied by (2) an index for market valuation changes equal to the total market valuation of all taxable property located within the metropolitan area for the current assessment year divided by the total market valuation of all taxable property located within the metropolitan area for the previous 1987 assessment year.

For the purpose of determining the metropolitan council's property tax levy limitation for the right-of-way acquisition loan fund for the taxes payable year 1988 and subsequent years under this subdivision, "total market valuation" means the total market valuation of all taxable property within the metropolitan area without valuation adjustments for fiscal disparities (chapter 473F), tax increment financing (sections 469.174 to 469.179), and high voltage transmission lines (section 273.425).

The property tax levied under this subdivision for taxes payable in 1988 and subsequent years shall not be levied at a rate higher than that determined by the metropolitan council to be sufficient, considering the other anticipated revenues of and disbursements from the right-of-way acquisition loan fund, to produce a balance in the loan fund at the end of the next calendar year equal to twice the amount of the property tax levy limitation for taxes payable in the next calendar year determined under this section.

Sec. 6. Minnesota Statutes 1988, section 473.167, subdivision 5, is amended to read:

Subd. 5. [LEVY INCREASE.] For the purpose of determining the levy limitation for taxes payable in 1989 under subdivision 3, the levy limitation for taxes payable in 1988 shall be multiplied by two. ~~The levy limitation so determined for taxes payable in 1989 shall be the basis for determining levy limitations for taxes payable in 1990 and subsequent years under subdivision 3.~~

Sec. 7. Minnesota Statutes 1988, section 473.173, subdivision 3, is amended to read:

Subd. 3. In developing the rules the council and the advisory metropolitan land use committee, as defined in section 473.852, shall give consideration to all factors deemed relevant including but not limited to the following:

(1) The impact a proposed matter will have on the orderly,

~~economie~~ economical development, public and private, of the metropolitan area and its consistency with the metropolitan development guide;

(2) The relationship a proposed matter will have to the policy statement goals, standards, programs and other applicable provisions of the development guide;

(3) The impact a proposed matter will have on policy plans adopted by the council and on the implementation plans and functions performed and to be performed by a metropolitan agency that is subject to section 473.161;

(4) Functions of municipal governments in respect to control of land use as provided for under the municipal planning act.

Sec. 8. Minnesota Statutes 1988, section 473.173, subdivision 4, is amended to read:

Subd. 4. The rules shall include, without limitation, provisions to effectuate and comply with the following powers and requirements:

(1) No applicant shall be required to submit a proposed matter for review more than once unless it is materially altered.

(1a) A public hearing shall be held prior to the final determination with regard to a proposed matter.

(2) The council shall be empowered to suspend action on a proposed matter during the period of review and for a period not to exceed 12 months following the issuance of its final determination. In its final determination, the council may prescribe appropriate conditions with regard to a proposed matter which, if incorporated or complied with, would cause the council to remove the suspension.

(3) The council's recommendation or determination concerning a proposed matter, including the determination as to its metropolitan significance, shall be issued within 90 days following its receipt of a proposal accompanied by adequate supporting information, unless all parties consent in writing to an extension. The council shall extend the time to complete the proceeding by an additional 30 days if the council determines that a fair hearing cannot be completed in the time allowed. To avoid duplication, the review may be suspended for not more than 90 days to await completion of review of a matter by another public agency.

(4) The council shall be required to review a proposed matter upon request of an affected local governmental unit or metropolitan agency that is subject to section 473.161. The rules shall include a procedure for review of a proposed matter upon petition by a

specified number of residents of the metropolitan area 18 years of age or older.

(5) The council shall be empowered to review all proposed matters of metropolitan significance regardless of whether the council has received a request from an affected body to conduct that review.

(6) The council shall review all proposed matters determined to be of metropolitan significance as to their consistency with and effect upon metropolitan system plans as defined in section 473.852 and their adverse effects on other local governmental units.

(7) Previously approved policy plans and implementation plans and areas of operational authority of metropolitan agencies that are subject to section 473.161 shall not be subject to review under this section, except as specifically provided in section 473.171.

(8) When announcing the scope of a significance review in the notice commencing the review, the council shall state with particularity, with respect to each issue identified in the scoping document, the policies, provisions, statements, or other elements in metropolitan development guide chapters or policy plans and any other criteria or standards that will be considered or relied on in assessing the metropolitan significance or effect of the proposed project.

(9) Hearings must be conducted in accordance with the following procedures, unless waived in writing by the parties:

(a) The parties have the right to counsel.

(b) All testimony must be under oath.

(c) A complete and accurate record of all proceedings must be maintained.

(d) Cross-examination must be allowed of any party or witness.

(e) The burden of proof is on the party claiming that the matter is of metropolitan significance and must be met by a fair preponderance of the evidence.

(f) Decisions of the council must be based on relevant evidence contained in the record and on written findings.

Sec. 9. Minnesota Statutes 1988, section 473.249, subdivision 1, is amended to read:

Subdivision 1. The metropolitan council may levy a tax on all taxable property in the metropolitan area defined in section 473.121

to provide funds for the purposes of sections 473.121 to 473.249 and for the purpose of carrying out other responsibilities of the council as provided by law. This tax for general purposes shall be levied and collected in the manner provided by section 473.13.

The property tax levied by the metropolitan council for general purposes shall not exceed the following amount for the years specified:

(a) for taxes payable in 1988, the product of 8/30 of one mill multiplied by the total assessed valuation of all taxable property located within the metropolitan area as adjusted by the provisions of Minnesota Statutes 1986, sections 272.64; 273.13, subdivision 7a; and 275.49;

(b) for taxes payable in 1989, the product of (1) the metropolitan council's property tax levy limitation for general purposes for the taxes payable year 1988 determined under clause (a) multiplied by (2) an index for market valuation changes equal to the assessment year 1988 total market valuation of all taxable property located within the metropolitan area divided by the assessment year 1987 total market valuation of all taxable property located within the metropolitan area; and

(c) for taxes payable in 1990 and subsequent years, the product of (1) the metropolitan council's property tax levy limitation for general purposes for the previous year determined under this subdivision multiplied by (2) the lesser of

(i) an index for market valuation changes equal to the total market valuation of all taxable property located within the metropolitan area for the current assessment year divided by the total market valuation of all taxable property located within the metropolitan area for the previous assessment year, or

(ii) an index equal to the implicit price deflator for state and local government purchases of goods and services for the most recent month for which data is available divided by the implicit price deflator for state and local government purchases of goods and services for the same month of the previous year.

For the purpose of determining the metropolitan council's property tax levy limitation for general purposes for the taxes payable year 1988 and subsequent years under this subdivision, "total market valuation" means the total market valuation of all taxable property within the metropolitan area without valuation adjustments for fiscal disparities (chapter 473F), tax increment financing (sections 469.174 to 469.179), and high voltage transmission lines (section 273.425).

Sec. 10. [APPLICATION.]

This act applies in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 11. [REPEALER.]

Minnesota Statutes 1988, section 473.249, subdivision 3, is repealed.

Sec. 12. [EFFECTIVE DATE.]

Sections 5, 6, 9, and 11 are effective for property taxes payable in 1990 and subsequent years.

Delete the title and insert:

“A bill for an act relating to metropolitan government; regulating budgets; amending Minnesota Statutes 1988, sections 473.145; 473.1623, subdivision 4, and by adding subdivisions; 473.167, subdivisions 3 and 5; 473.173, subdivisions 3 and 4; 473.249, subdivision 1; repealing Minnesota Statutes 1988, section 473.249, subdivision 3.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 185, 245, 428, 493, 529, 593, 770, 956, 989, 1014, 1090, 1117 and 1155 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Krueger; Olson, E.; Sparby and Winter introduced:

H. F. No. 1411, A bill for an act relating to cooperatives; recodifying and clarifying certain provisions on cooperative businesses; amending certain provisions of cooperative business law; requiring a registered officer or agent for cooperatives; authorizing cooperatives to provide greater approval proportions than provided in statute for

certain cooperative actions; providing corporate existence of cooperative begins with filing of articles; authorizing loans to and fiduciary powers with members; specifying how vacancies in unexpired directors' terms may be filled; authorizing the board to rescind membership for member violations; eliminating certain filings with county recorders; eliminating attorney general approval of articles of merger or consolidation; prescribing a fee for filing articles of consolidation; prescribing a procedure for dissolution of cooperatives; deeming certain organized cooperatives to be organized under and subject to this act; amending Minnesota Statutes 1988, sections 47.20, subdivision 2; 117.232, subdivision 1; 216B.027, subdivision 5; 237.075, subdivision 9; 273.124, subdivisions 3 and 6; 273.132, subdivision 5; 363.01, subdivision 32; and 500.20, subdivision 2a; proposing coding for new law as Minnesota Statutes, chapter 308A; repealing Minnesota Statutes 1988, sections 308.01 to 308.92.

The bill was read for the first time and referred to the Committee on Commerce.

McPherson, Henry, Battaglia, Wenzel and Swenson introduced:

H. F. No. 1412, A bill for an act relating to agriculture; regulating eligibility for designation of land under the metropolitan agricultural preserves act; amending Minnesota Statutes 1988, section 473H.03, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Kalis; Vanasek; Lieder; Anderson, G., and Boo introduced:

H. F. No. 1413, A bill for an act relating to metropolitan government; providing for the composition of the metropolitan airports commission; amending Minnesota Statutes 1988, section 473.604, subdivision 1.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Jefferson introduced:

H. F. No. 1414, A bill for an act relating to retirement; public employees local government correctional service retirement plan; expanding plan coverage to include certain Hennepin county medical center ambulance service personnel; amending Minnesota Statutes 1988, section 353C.02.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Beard and Begich introduced:

H. F. No. 1415, A bill for an act relating to workers' compensation; regulating insurance for truckers and loggers; imposing a tax on certain purchasers of wood to subsidize insurance costs of loggers; regulating coverages and rates; appropriating money; amending Minnesota Statutes 1988, sections 79.251, subdivision 3; 79.252, by adding a subdivision; 176.011, by adding a subdivision; 176.041, subdivision 1; 176.102, by adding a subdivision; 176.184, by adding a subdivision; and 176A.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 176; proposing coding for new law as Minnesota Statutes, chapter 297E.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Omann, Marsh and Bauerly introduced:

H. F. No. 1416, A bill for an act relating to state lands; authorizing private conveyance of certain tax-forfeited land in Benton county.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Olsen, S.; Kalis; Simoneau; Bauerly and Seaberg introduced:

H. F. No. 1417, A bill for an act relating to motor vehicles; allowing special veterans license plates to be issued for self-propelled recreational equipment; amending Minnesota Statutes 1988, section 168.123, subdivision 1.

The bill was read for the first time and referred to the Committee on Transportation.

Kelly, Pappas, Trimble, O'Connor and Osthoff introduced:

H. F. No. 1418, A bill for an act relating to appropriations; appropriating money to evaluate the St. Paul national indoor sports training center.

The bill was read for the first time and referred to the Committee on Appropriations.

Olsen, S.; Segal; Simoneau and Knickerbocker introduced:

H. F. No. 1419, A bill for an act relating to retirement; St. Louis Park police; remarriage of surviving spouse.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Conway, Onnen, Lynch, Wynia and Greenfield introduced:

H. F. No. 1420, A bill for an act relating to human services; expanding the powers and duties of the council for the hearing impaired; amending Minnesota Statutes 1988, section 256C.28, subdivision 3, and by adding subdivisions.

The bill was read for the first time and referred to the Committee on Health and Human Services.

McLaughlin, Osthoff, Scheid, Gutknecht and Kostohryz introduced:

H. F. No. 1421, A bill for an act relating to surplus United States government property; directing the commissioner of natural resources to seek acquisition of certain surplus property of the United States government; directing the commissioner to lease the property to a nonprofit organization for development as housing for certain homeless veterans and their families.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Olson, E.; Anderson, G.; Sparby; Wenzel and Waltman introduced:

H. F. No. 1422, A bill for an act relating to agriculture; establishing an agricultural landlord rental incentive program under the rural finance authority; authorizing certain payments to owners of farmland; redirecting distributions of certain unclaimed property; appropriating money; amending Minnesota Statutes 1988, section 308.12, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 41B.

The bill was read for the first time and referred to the Committee on Agriculture.

Ogren; Greenfield; Cooper; Anderson, R., and Orenstein introduced:

H. F. No. 1423, A bill for an act relating to nursing home admission agreements; prohibiting use of blanket waivers of liability by continuing care facilities and nursing homes; requiring nursing home admission agreements to be available to the public and clarifying that such agreements are consumer contracts; prohibiting nursing homes from requiring third party guarantors; requiring nursing homes to identify their status as medical assistance providers; prohibiting use of blanket consents for treatment; requiring written acknowledgment that residents have received a copy of the patients' bill of rights; providing penalties; amending Minnesota Statutes 1988, section 80D.04, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 144.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Segal and Nelson, K., introduced:

H. F. No. 1424, A bill for an act relating to education; authorizing health and wellness education program planning; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 126.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Pugh, Kelly, Conway, Macklin and Dempsey introduced:

H. F. No. 1425, A bill for an act relating to privacy of communications; modifying standards for disclosure of communications by electronic communications services; limiting use of contract personnel; modifying reporting requirements; modifying procedures for the use of pen registers and trap and trace devices; requiring orders for the use of mobile tracking devices; providing for a civil cause of action; removing the sunset on the privacy of communications act; imposing penalties; amending Minnesota Statutes 1988, sections 626A.02, subdivision 3; 626A.04; 626A.06, subdivision 4a; 626A.11, subdivisions 1 and 2; 626A.12, subdivision 1; 626A.17; 626A.35; 626A.36; 626A.37; 626A.38; 626A.39, by adding a subdivision; and 626A.40; proposing coding for new law in Minnesota Statutes, chapter 626A; repealing Minnesota Statutes 1988, sections 626A.12, subdivision 1a; 626A.22; 626A.23; and 626A.24; and Laws 1988, chapter 577, section 62.

The bill was read for the first time and referred to the Committee on Judiciary.

Segal, Vellenga and Forsythe introduced:

H. F. No. 1426, A bill for an act relating to traffic regulations; school buses; requiring passenger seat belts on new school buses purchased after January 1, 1990; amending Minnesota Statutes 1988, section 169.44, subdivision 9.

The bill was read for the first time and referred to the Committee on Transportation.

McPherson, Hugoson, Ozment, Girard and Haukoos introduced:

H. F. No. 1427, A bill for an act relating to food; authorizing donation of certain food; limiting liability of food donors; proposing coding for new law in Minnesota Statutes, chapter 31.

The bill was read for the first time and referred to the Committee on Commerce.

McPherson, Omann, Hugoson, Haukoos and Girard introduced:

H. F. No. 1428, A bill for an act relating to child abuse reporting; defining "physical abuse" to include use of a controlled substance by a pregnant woman; amending Minnesota Statutes 1988, section 626.556, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

Conway, Welle, Gruenes, Gutknecht and Segal introduced:

H. F. No. 1429, A bill for an act relating to licensure of ambulance services; establishing new standards; amending Minnesota Statutes 1988, sections 144.801, subdivisions 4 and 7; 144.802, subdivisions 3, 3a, 4, and by adding a subdivision; 144.804; 144.806; 144.807, subdivision 1; 144.808; 144.809; and 144.8091; repealing Minnesota Statutes 1988, sections 144.805; 144.807, subdivision 3; and 144.8092.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Dawkins, O'Connor, Clark, Morrison and Osthoff introduced:

H. F. No. 1430, A bill for an act relating to housing; requiring that proceeds from the sale of abandoned and escheated property be allocated to the housing trust fund account; amending Minnesota

Statutes 1988, sections 11A.10, subdivision 2; 94.16, by adding a subdivision; 290.067, subdivision 4; 345.48, subdivision 1; 345.49, subdivision 2; 462A.201, subdivision 1; 525.161; and 525.841.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Dawkins and O'Connor introduced:

H. F. No. 1431, A bill for an act relating to human services; requiring an increase in foster care maintenance payments; requiring a respite program for foster care providers; authorizing start-up grants to persons who seek to provide foster care; requiring a four-year commitment to foster care; appropriating money; amending Minnesota Statutes 1988, sections 256.82, subdivision 3; and 462A.05, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 257.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Steensma, Kalis, Brown, Tunheim and Carlson, D., introduced:

H. F. No. 1432, A bill for an act relating to transportation; requiring nonrailroad lessors to comply with certain procedures before sale of property interests; regulating cancellations of leases of railroad right-of-way; amending Minnesota Statutes 1988, sections 222.631, by adding a subdivision; 222.632; and 222.633; proposing coding for new law in Minnesota Statutes, chapter 230.

The bill was read for the first time and referred to the Committee on Transportation.

Nelson, K.; Olsen, S.; Vellenga; McEachern and Otis introduced:

H. F. No. 1433, A bill for an act relating to education; authorizing charter schools; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 129B.

The bill was read for the first time and referred to the Committee on Education.

Simoneau; Johnson, R.; Reding; O'Connor and Knickerbocker introduced:

H. F. No. 1434, A bill for an act relating to retirement; teachers retirement association; making various administrative changes in

the laws governing operation of the association; establishing an appeal procedure; amending Minnesota Statutes 1988, sections 136.81, subdivision 1; 136.82, subdivisions 1 and 2; 354.05, subdivisions 35 and 37; 354.06, by adding a subdivision; 354.07, subdivision 3; 354.091; 354.092; 354.10, subdivision 2; 354.35; 354.42, subdivision 7; 354.44, subdivisions 3, 5, and 8; 354.47, subdivision 2; 354.48, subdivisions 1 and 2; 354.65; 356.30, subdivision 2; 356.371, subdivision 3; and 356.80, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 354; repealing Minnesota Statutes 1988, sections 136.88, subdivision 3; 354.41, subdivision 3; 354.531; 354.532; 354.55, subdivision 5; and 354.56.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Krueger introduced:

H. F. No. 1435, A bill for an act relating to liquor; authorizing issuance of a certain on-sale license in Todd county.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Dille; Olson, E.; Bertram; Schafer and Krueger introduced:

H. F. No. 1436, A bill for an act relating to livestock; providing funds for the Minnesota extension service to match other money to establish a position in the college of veterinary medicine for an expert on small ruminants; appropriating money.

The bill was read for the first time and referred to the Committee on Agriculture.

Winter, Welle, Dauner, Steensma and Dille introduced:

H. F. No. 1437, A bill for an act relating to workers' compensation; expanding the family farm exclusion from workers' compensation coverage; amending Minnesota Statutes 1988, section 176.011, subdivision 11a.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Osthoff, Jacobs, Sparby, Rodosovich and Abrams introduced:

H. F. No. 1438, A resolution memorializing the Board of Governors

of the Federal Reserve Board to reject amendments to its rules that would govern permissible activities of state-chartered banks.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Pugh, Kelly, Carruthers and Seaberg introduced:

H. F. No. 1439, A bill for an act relating to creditors remedies; regulating executions and garnishments; amending Minnesota Statutes 1988, section 550.142; proposing coding for new law in Minnesota Statutes, chapters 550 and 557; proposing coding for new law as Minnesota Statutes, chapter 551; repealing Minnesota Statutes 1988, sections 550.041; 550.05; 550.14; 550.141; 571.41; 571.42; 571.43; 571.44; 571.45; 571.46; 571.471; 571.495; 571.50; 571.51; 571.52; 571.53; 571.54; 571.55; 571.56; 571.57; 571.58; 571.59; 571.60; 571.61; 571.62; 571.63; 571.64; 571.65; 571.66; 571.67; 571.68; and 571.69.

The bill was read for the first time and referred to the Committee on Judiciary.

Greenfield, Battaglia, Gruenes and Skoglund introduced:

H. F. No. 1440, A bill for an act relating to local government; requiring political subdivisions to request proposals for group insurance coverage; amending Minnesota Statutes 1988, section 43A.316, subdivision 10; proposing coding for new law in Minnesota Statutes, chapter 471; repealing Minnesota Statutes 1988, section 471.616.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Tjornhom, Limmer, Uphus, Jennings and Valento introduced:

H. F. No. 1441, A bill for an act relating to taxation; income; providing an exclusion for certain military pay; amending Minnesota Statutes 1988, section 290.01, subdivision 19b.

The bill was read for the first time and referred to the Committee on Taxes.

Morrison; Anderson, G.; Carlson, L.; Jaros and Forsythe introduced:

H. F. No. 1442, A bill for an act relating to education; requesting

the regents of the University of Minnesota to establish a program; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Jefferson, Simoneau, McLaughlin, Osthoff and Pauly introduced:

H. F. No. 1443, A bill for an act relating to state government; creating a small business procurements commission to study recent United States Supreme Court decisions and their effect on certain programs; suspending certain requirements relating to procurements from socially and economically disadvantaged businesses during the study; appropriating money; amending Minnesota Statutes 1988, sections 16B.189; 16B.19, subdivisions 2, 4, 5, and 6; 16B.21, subdivision 2; 16B.22; 116J.68, subdivision 1; 136.27; 136.72; 137.31, subdivision 3; 161.321, subdivisions 2, 3, and 6; 241.27, subdivision 2; 471.345, subdivision 8; 473.142; 473.406, subdivisions 1, 2, 4, 5, and 6; and 645.445, subdivision 5.

The bill was read for the first time and referred to the Committee on Governmental Operations.

McPherson, Hugoson, Girard, Haukoos and Richter introduced:

H. F. No. 1444, A bill for an act relating to crime; increasing penalties for criminal vehicular operation; amending Minnesota Statutes 1988, section 609.21.

The bill was read for the first time and referred to the Committee on Judiciary.

Nelson, C.; Bertram; Dauner; Waltman and Sparby introduced:

H. F. No. 1445, A bill for an act relating to agriculture; making technical changes in the seed and dairy inspection laws; amending Minnesota Statutes 1988, sections 21.89, subdivisions 2 and 4; and 32.103.

The bill was read for the first time and referred to the Committee on Agriculture.

Simoneau; Johnson, R.; Knickerbocker; O'Connor and Reding introduced:

H. F. No. 1446, A bill for an act relating to retirement; public employees retirement association; clarifying certain provisions;

changing administrative requirements; altering member eligibility requirements; changing disability benefit payments; amending Minnesota Statutes 1988, sections 353.01, subdivisions 2a and 2b, and by adding a subdivision; 353.27, subdivision 12; 353.28, subdivisions 5 and 6; 353.29, subdivisions 4 and 7; 353.33, subdivisions 1, 2, 5, 6, and 7; 353.34, subdivision 1; 353.35; 353.64, subdivisions 2 and 3; and 353.656, subdivision 4; repealing Minnesota Statutes 1988, sections 353.01, subdivision 2c; 353.661; and 353.662.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Scheid, Sarna, Bishop, McEachern and Heap introduced:

H. F. No. 1447, A bill for an act relating to motor vehicles; defining the effect of certain leases; amending Minnesota Statutes 1988, section 168A.17, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Commerce.

Rest, Long, McLaughlin and Blatz introduced:

H. F. No. 1448, A bill for an act relating to Hennepin county; permitting the issuance of obligations by the county board of Hennepin county for a public safety building.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Rest, Skoglund, Blatz and Olsen, S., introduced:

H. F. No. 1449, A bill for an act relating to Hennepin county; providing for a chief administrative deputy sheriff in the unclassified service; amending Minnesota Statutes 1988, section 383B.32, subdivision 2.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Gruenes, Heap, Jaros and McGuire introduced:

H. F. No. 1450, A bill for an act relating to education; setting minimum requirements for nontutorial teaching assistants engaged in actual classroom teaching; proposing coding for new law in Minnesota Statutes, chapter 135A.

The bill was read for the first time and referred to the Committee on Education.

Scheid introduced:

H. F. No. 1451, A bill for an act relating to commerce; securities regulation; providing for annual expiration of certain securities registration statements; modifying fees payable on registration of certain securities; amending Minnesota Statutes 1988, sections 80A.12, subdivision 9; and 80A.28, subdivision 1.

The bill was read for the first time and referred to the Committee on Commerce.

Kinkel introduced:

H. F. No. 1452, A bill for an act relating to natural resources; providing for a deficiency in the appropriation for emergency deer feeding; appropriating money.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Simoneau, O'Connor, Rukavina and Begich introduced:

H. F. No. 1453, A bill for an act relating to public safety; creating the Minnesota advisory council on fire protection systems; requiring licensing and certifying of the fire protection industry; providing for rules and an exemption; creating fire protection systems account; providing for fees and a surcharge; imposing a penalty; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 299K.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Neuenschwander and Solberg introduced:

H. F. No. 1454, A bill for an act relating to Itasca county; authorizing a petition to annex unorganized territory to the town of Spang to be signed by residents of the town.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Beard introduced:

H. F. No. 1455, A bill for an act relating to corrections; providing for development of a plan for a centralized corrections data system; appropriating money.

The bill was read for the first time and referred to the Committee on Judiciary.

McLaughlin, Osthoff, Scheid, Gutknecht and Kostohryz introduced:

H. F. No. 1456, A resolution memorializing the President, Congress, and the director of the United States General Services Administration to arrange for prompt lease of certain surplus United States government properties to a nonprofit organization for use as housing for homeless, near homeless, and displaced veterans and their families.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Ogren, Vanasek, Greenfield and Anderson, R., introduced:

H. F. No. 1457, A bill for an act relating to human services; establishing a legislative task force to study community action programs in Minnesota; requiring a study.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Kelso, Pelowski, Solberg, Omann and Olson, K., introduced:

H. F. No. 1458, A bill for an act relating to education; allowing school districts to consolidate on July 1 of any year; establishing aid for districts that consolidate; appropriating money; amending Minnesota Statutes 1988, section 122.23, subdivision 13; proposing coding for new law in Minnesota Statutes, chapter 124.

The bill was read for the first time and referred to the Committee on Education.

Tjornhom, Tompkins, Dille, Jefferson and Boo introduced:

H. F. No. 1459, A bill for an act relating to handicapped persons; permitting training of guide dogs in public accommodations; amending Minnesota Statutes 1988, section 256C.02.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Beard, Omann and Begich introduced:

H. F. No. 1460, A bill for an act relating to unemployment compensation; making various technical corrections; amending Minnesota Statutes 1988, sections 268.04, subdivisions 12 and 25; 268.06, subdivisions 1, 8a, and 28; 268.07, subdivisions 2 and 3; 268.09, subdivision 1; 268.10, subdivisions 1 and 2; 268.12, subdivision 12; 268.16, subdivision 4; 268.162, subdivision 1; 268.163, subdivision 1; and 268.165, subdivisions 1 and 2.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Kalis, Seaberg and Carruthers introduced:

H. F. No. 1461, A bill for an act relating to drivers' licenses; appropriating money to the commissioner of public safety to improve driver license security and legibility.

The bill was read for the first time and referred to the Committee on Transportation.

Sviggum, Rodosovich, Bertram, Girard and Heap introduced:

H. F. No. 1462, A bill for an act relating to labor and industry; regulating workers' compensation benefits and administration; regulating workers' compensation insurance; providing for the appointment of actuaries; requiring certain reports relating to workers' compensation; appropriating money; amending Minnesota Statutes 1988, sections 79.095; 79.55, subdivision 2; 79.56, by adding a subdivision; 79.58, subdivision 2; 79.61, subdivision 1; 176.011, subdivisions 11a, 18, and by adding a subdivision; 176.021, subdivision 3; 176.041, subdivision 4; 176.061, subdivision 10; 176.081, subdivisions 1, 2, and 3; 176.101, subdivisions 1, 2, 4, 5, and by adding subdivisions; 176.102, subdivisions 1, 2, 3, 3a, 6, 7, and 11; 176.105, subdivision 1; 176.111, subdivisions 6, 7, 8, 12, 14, 15, 20 and 21; 176.131, subdivisions 1, 1a, 2, 8, and by adding a subdivision; 176.132, subdivisions 1, 2, and 3; 176.136, subdivision 1, and by adding a subdivision; 176.155, subdivision 1; 176.221, subdivision 1; 176.645, subdivisions 1 and 2; 176.66, subdivision 11; 176A.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 79 and 176; repealing Minnesota Statutes 1988, sections 79.54; 79.57; 79.58, subdivision 1; 176.011, subdivision 26; 176.101, subdivisions 3a to 3u, and 6.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Brown; Trimble; Nelson, C., and Wenzel introduced:

H. F. No. 1463, A bill for an act relating to agriculture; requiring dairy products processed or manufactured with milk from cows that have been administered bovine somatotropin to be labeled if sold or offered for sale; restricting use of bovine somatotropin; authorizing dispensing and administering of bovine somatotropin only by licensed veterinarians; prescribing penalties; amending Minnesota Statutes 1988, sections 151.01, subdivision 28; 151.15, subdivision 3; and 151.25; proposing coding for new law in Minnesota Statutes, chapter 32.

The bill was read for the first time and referred to the Committee on Agriculture.

Welle; Johnson, R.; Gruenes; Munger and Krueger introduced:

H. F. No. 1464, A resolution memorializing the Congress of the United States to reject pending legislation that would authorize the use of Minnesota waters for the transportation of coal and would grant the right of eminent domain of coal slurry pipelines.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Welle, Blatz, Ogren, Neuenschwander and Schreiber introduced:

H. F. No. 1465, A bill for an act relating to taxation; exempting certain planting services from the sales tax; providing that sales of shrubbery, plants, sod, and trees through contracts for their installation are treated as contracts for improvement of real property; amending Minnesota Statutes 1988, section 297A.01, subdivisions 3 and 4.

The bill was read for the first time and referred to the Committee on Taxes.

Weaver, Bauerly, McEachern, Kelso and Ozment introduced:

H. F. No. 1466, A bill for an act relating to education; creating a discretionary revenue program; authorizing a levy; proposing coding for new law in Minnesota Statutes, chapter 124A.

The bill was read for the first time and referred to the Committee on Education.

Stanius, Knickerbocker and Runbeck introduced:

H. F. No. 1467, A bill for an act relating to taxation; exempting all health insurance premiums from the gross premiums tax; amending Minnesota Statutes 1988, section 60A.15, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Olsen, S., introduced:

H. F. No. 1468, A bill for an act relating to retirement; converting joint and survivor options to normal annuities; amending Minnesota Statutes 1988, sections 352.116, subdivision 3; 353.30, subdivision 3; and 354.45, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Tunheim introduced:

H. F. No. 1469, A bill for an act relating to Roseau county; providing increased bonding authority for hospital districts in the county; amending Laws 1961, chapter 115, section 4, as amended.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Blatz, Kostohryz, Bertram, Reding and Olsen, S., introduced:

H. F. No. 1470, A bill for an act relating to local government; permitting a city or county to authorize and regulate casino nights; amending Minnesota Statutes 1988, sections 349.31, subdivision 1; 541.21; 609.75, subdivision 3; and 609.761; proposing coding for new law in Minnesota Statutes, chapter 349.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Wenzel, Sparby, Krueger and Bertram introduced:

H. F. No. 1471, A bill for an act relating to agriculture; authorizing the commissioner to investigate cheese marketing arrange-

ments; amending Minnesota Statutes 1988, section 17.03, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Agriculture.

Wenzel, Sparby, Krueger and Bertram introduced:

H. F. No. 1472, A resolution memorializing the President and Congress to assure fair treatment for Minnesota dairy farmers.

The bill was read for the first time and referred to the Committee on Agriculture.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 214, A bill for an act relating to taxation; making technical corrections and clarifications to individual income and corporate franchise taxes; updating references to the Internal Revenue Code; imposing a tax and providing for withholding of certain payments to nonresidents; requiring surety payment by out-of-state contractors; amending Minnesota Statutes 1988, sections 290.01, subdivisions 4, 7, 19, 19a, 19b, 19c, 19d, 19e, and 19f; 290.06, subdivision 22; 290.067, subdivision 1; 290.0802, subdivisions 1 and 2; 290.095, subdivision 9; 290.17, subdivisions 1 and 2; 290.311, subdivision 1; 290.92, by adding subdivisions; and 291.005, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 290; repealing Minnesota Statutes 1988, section 290.01, subdivision 6a.

The Senate has appointed as such committee:

Messrs. Pogemiller, Belanger and Johnson, D. J.

Said House File is herewith returned to the House.

PATRICK E. FLAHAVER, 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. 95, A bill for an act relating to crime victims; clarifying certain criminal fine provisions; authorizing the deposit of unclaimed and abandoned restitution payments in the crime victim and witness account; increasing the maximum amount of reparations payable for funeral, burial, or cremation expenses; authorizing the payment of reparations under certain circumstances to Minnesota residents injured by crimes committed elsewhere; clarifying the authority of the reparations board to deny reparations on the basis of claimant's contributory misconduct; amending Minnesota Statutes 1988, sections 345.48, subdivision 1; 609.101, subdivision 2; 611A.52, subdivision 8; 611A.53, by adding a subdivision; and 611A.54.

PATRICK E. FLAHAVER, Secretary of the Senate

Bishop moved that the House refuse to concur in the Senate amendments to H. F. No. 95, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

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. 410, A bill for an act relating to public safety; defining high pressure piping; regulating the practice of pipefitting; amending Minnesota Statutes 1988, section 326.461, subdivision 2.

PATRICK E. FLAHAVER, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Trimble moved that the House concur in the Senate amendments to H. F. No. 410 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 410, A bill for an act relating to public safety; defining high pressure piping; regulating the practice of pipefitting; amending Minnesota Statutes 1988, section 326.461, subdivision 2.

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 123 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Girard	Lieder	Ostrom	Skoglund
Anderson, R.	Greenfield	Limmer	Otis	Solberg
Battaglia	Gruenes	Long	Ozment	Sparby
Bauerly	Gutknecht	Lynch	Pauly	Stanius
Beard	Hasskamp	Macklin	Pellow	Steenma
Begich	Haukoos	Marsh	Felowski	Svigum
Bennett	Heap	McDonald	Peterson	Swenson
Bertram	Henry	McEachern	Poppenhagen	Tjornhom
Bishop	Himle	McGuire	Price	Tompkins
Blatz	Hugoson	McLaughlin	Quinn	Trimble
Boo	Jacobs	McPherson	Redalen	Tunheim
Brown	Janezich	Miller	Reding	Uphus
Burger	Jaros	Munger	Rest	Valento
Carlson, D.	Jefferson	Murphy	Rice	Vellenga
Carlson, L.	Jennings	Nelson, C.	Richter	Wagenius
Carruthers	Johnson, A.	Nelson, K.	Rodosovich	Waltman
Clark	Johnson, R.	Neuenschwander	Rukavina	Weaver
Cooper	Johnson, V.	O'Connor	Runbeck	Welle
Dauner	Kalis	Ogren	Sarna	Wenzel
Dawkins	Kelly	Olsen, S.	Schafer	Williams
Dille	Kelso	Olson, E.	Scheid	Winter
Dorn	Kinkel	Olson, K.	Schreiber	Wynia
Forsythe	Knickerbocker	Omann	Seaberg	Spk. Vanasek
Frederick	Krueger	Onnen	Segal	
Frerichs	Lasley	Orenstein	Simoneau	

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 File, herewith transmitted:

S. F. No. 1011.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 1011, A bill for an act relating to highways; redesignating the AMVETS memorial highway as the American Veterans Memorial Highway; amending Minnesota Statutes 1988, section 161.14, subdivision 23.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

### CONSENT CALENDAR

S. F. No. 286, A bill for an act relating to the military; clarifying the authority of the adjutant general to establish the pay grade for certain staff positions; amending Minnesota Statutes 1988, section 190.08, subdivision 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 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Lasley	Onnen	Simoneau
Anderson, R.	Girard	Lieder	Orenstein	Skoglund
Battaglia	Greenfield	Limmer	Ostrom	Solberg
Bauerly	Gruenes	Long	Otis	Sparby
Beard	Gutknecht	Lynch	Ozment	Stanius
Begich	Hasskamp	Macklin	Pauly	Steensma
Bennett	Haukoos	Marsh	Pellow	Sviggum
Bertram	Heap	McDonald	Pelowski	Swenson
Bishop	Henry	McEachern	Peterson	Tjornhom
Blatz	Himle	McGuire	Poppenhagen	Tompkins
Boo	Hugoson	McLaughlin	Price	Trimble
Brown	Jacobs	McPherson	Quinn	Tunheim
Burger	Janezich	Milbert	Redalen	Uphus
Carlson, D.	Jaros	Miller	Reding	Valento
Carlson, L.	Jefferson	Munger	Rest	Vellenga
Carruthers	Jennings	Murphy	Rice	Wagenius
Clark	Johnson, A.	Nelson, C.	Richter	Waltman
Conway	Johnson, R.	Nelson, K.	Rodosovich	Weaver
Cooper	Johnson, V.	Neuenschwander	Rukavina	Welle
Dauner	Kalis	O'Connor	Sarna	Wenzel
Dawkins	Kelly	Ogren	Schafer	Williams
Dille	Kelso	Olsen, S.	Scheid	Winter
Dorn	Kinkel	Olson, E.	Schreiber	Wynia
Forsythe	Knickerbocker	Olson, K.	Seaberg	Spk. Vanasek
Frederick	Krueger	Omann	Segal	

The bill was passed and its title agreed to.

The Speaker called Quinn to the Chair.

### CALENDAR

H. F. No. 630, A bill for an act relating to elections; changing or clarifying provisions governing absentee voting, mail elections,

election day activities, ballots, canvassing, municipal elections, school district elections, voting systems, election contests, and financial reporting; amending Minnesota Statutes 1988, sections 10A.02, subdivision 8; 204B.27, by adding a subdivision; 204B.40; 204B.46; 204C.06, subdivision 1; 204C.31, by adding a subdivision; 204C.36; 204C.361; 204D.08, subdivision 1; 204D.23, by adding a subdivision; 204D.27, subdivision 9; 205.16, by adding a subdivision; 205A.07, by adding a subdivision; 206.57, subdivision 1; 206.66; 206.90, subdivision 3; 209.021, subdivision 1; 211A.02, subdivision 1; 211A.05, subdivision 1; and 211B.11, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 202A; 203B; and 206; repealing Minnesota Statutes 1988, section 211B.11, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Ferichs	Lasley	Ostrom	Simoneau
Anderson, R.	Girard	Lieder	Otis	Skoglund
Battaglia	Greenfield	Limmer	Ozment	Solberg
Bauerly	Gruenes	Long	Pappas	Sparby
Beard	Gutknecht	Lynch	Pauly	Stanisus
Begich	Hasskamp	Macklin	Pellow	Steenasma
Bennett	Haukoos	Marsh	Pelowski	Sviggum
Bertram	Heap	McDonald	Peterson	Swenson
Bishop	Henry	McEachern	Popenhagen	Tjornhom
Blatz	Himle	McGuire	Price	Tompkins
Boo	Hugoson	McLaughlin	Quinn	Trimble
Brown	Jacobs	McPherson	Redalen	Tunheim
Burger	Janezich	Milbert	Reding	Uphus
Carlson, D.	Jaros	Miller	Rest	Valento
Carlson, L.	Jefferson	Murphy	Rice	Vellenga
Carruthers	Jennings	Nelson, C.	Richter	Wagenius
Clark	Johnson, A.	Nelson, K.	Rodosovich	Waltman
Conway	Johnson, R.	Neuenschwander	Rukavina	Weaver
Cooper	Johnson, V.	O'Connor	Runbeck	Welle
Dauner	Kahn	Olsen, S.	Sarna	Wenzel
Dawkins	Kelly	Olson, E.	Schafer	Williams
Dille	Kelso	Olson, K.	Scheid	Winter
Dorn	Kinkel	Omamm	Schreiber	Wynia
Forsythe	Knickerbocker	Onnen	Seaberg	Spk. Vanasek
Frederick	Krueger	Orenstein	Segal	

The bill was passed and its title agreed to.

H. F. No. 931, A bill for an act relating to motor vehicles; requiring owner to retain certificate of title, rather than secured party; requiring buyer to deliver certificate of title to department of public safety; allowing commissioner of public safety to suspend or revoke certificate of title if owner does not surrender it and vehicle is involuntarily transferred; amending Minnesota Statutes 1988, sec-

tions 168A.02, subdivision 1; 168A.04, subdivision 2; 168A.05, subdivision 5; 168A.06; 168A.09; 168A.10; 168A.11, subdivision 1; 168A.12, subdivision 2; 168A.14; 168A.18; 168A.20, subdivision 1, and by adding subdivisions; 168A.23, subdivision 1; repealing Minnesota Statutes 1988, sections 168A.26; 168A.27; and 168A.28.

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 121 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Knickerbocker	Onnen	Schreiber
Anderson, R.	Frerichs	Krueger	Orenstein	Seaberg
Battaglia	Girard	Lasley	Ostrom	Segal
Bauerly	Greenfield	Lieder	Otis	Skoglund
Beard	Gruenes	Limmer	Ozment	Solberg
Begich	Gutknecht	Long	Pappas	Sparby
Bennett	Hasskamp	Lynch	Pauly	Stanius
Bertram	Haukoos	Macklin	Pellow	Steensma
Bishop	Heap	Marsh	Pelowski	Sviggum
Blatz	Henry	McDonald	Peterson	Swenson
Boo	Himle	McGuire	Poppenhagen	Tjornhom
Brown	Hugoson	McLaughlin	Price	Tompkins
Burger	Jacobs	McPherson	Quinn	Trimble
Carlson, D.	Janezich	Milbert	Redalen	Tunheim
Carlson, L.	Jaros	Miller	Reding	Uphus
Carruthers	Jefferson	Munger	Rest	Valento
Clark	Jennings	Nelson, C.	Rice	Vellenga
Conway	Johnson, A.	Nelson, K.	Richter	Wagenius
Cooper	Johnson, R.	Neuenschwander	Rodosovich	Waltman
Dauner	Johnson, V.	O'Connor	Rukavina	Weaver
Dawkins	Kahn	Olsen, S.	Runbeck	Welle
Dille	Kahis	Olson, E.	Sarna	Wenzel
Dorn	Kelso	Olson, K.	Schafer	Williams
Forsythe	Kinkel	Omann	Scheid	Winter
				Wynia

Those who voted in the negative were:

Simoneau

The bill was passed and its title agreed to.

H. F. No. 436, A bill for an act relating to education; requiring the state board of education to prepare a rule on preparation time for teachers; requiring the rule to be enacted into law before becoming effective.

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 119 yeas and 6 nays as follows:

Those who voted in the affirmative were:

Abrams	Girard	Lasley	Onnen	Simoneau
Anderson, R.	Greenfield	Lieder	Orenstein	Skoglund
Battaglia	Gruenes	Limmer	Ostrom	Solberg
Bauerly	Gutknecht	Long	Otis	Sparby
Beard	Hasskamp	Lynch	Ozment	Stanisus
Begich	Haukoos	Macklin	Pappas	Steenasma
Bennett	Heap	Marsh	Pauly	Sviggum
Bertram	Henry	McEachern	Pellow	Swenson
Bishop	Himle	McGuire	Pelowski	Tjornhom
Blatz	Hugoson	McLaughlin	Peterson	Tompkins
Boo	Jacobs	McPherson	Price	Trimble
Brown	Janezich	Milbert	Quinn	Tunheim
Carlson, D.	Jefferson	Miller	Redalen	Uphus
Carlson, L.	Jennings	Munger	Reding	Valento
Carruthers	Johnson, A.	Murphy	Rest	Vellenga
Clark	Johnson, R.	Nelson, C.	Rice	Wagenius
Conway	Johnson, V.	Nelson, K.	Rodosovich	Waltman
Cooper	Kahn	Neuenschwander	Rukavina	Weaver
Dawkins	Kalis	O'Connor	Runbeck	Welle
Dille	Kelly	Ogren	Sarna	Wenzel
Dorn	Kelso	Olsen, S.	Schafer	Winter
Forsythe	Kinkel	Olson, E.	Scheid	Wynia
Frederick	Knickerbocker	Olson, K.	Seaberg	Spk. Vanasek
Frerichs	Krueger	Omann	Segal	

Those who voted in the negative were:

Burger	McDonald	Richter
Dauner	Poppenhagen	Schreiber

The bill was passed and its title agreed to.

H. F. No. 603 was reported to the House and given its third reading.

Sparby moved that H. F. No. 603 be continued on the Calendar. The motion prevailed.

H. F. No. 707 was reported to the House and given its third reading.

Kelso moved that H. F. No. 707 be continued on the Calendar. The motion prevailed.

H. F. No. 774, A bill for an act relating to agriculture; changing voting rights in certain cooperative associations; amending Minnesota Statutes 1988, section 308.07, subdivision 4.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 125 yeas and 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Girard	Lasley	Orenstein	Segal
Anderson, R.	Greenfield	Lieder	Ostrom	Simoneau
Battaglia	Gruenes	Limmer	Otis	Skoglund
Bauerly	Gutknecht	Long	Ozment	Solberg
Beard	Hasskamp	Lynch	Pappas	Sparby
Begich	Haukoos	Macklin	Pauly	Stanius
Bennett	Heap	Marsh	Pellow	Steensma
Bertram	Henry	McDonald	Pelowski	Sviggum
Bishop	Himle	McEachern	Peterson	Swenson
Blatz	Hugoson	McGuire	Poppenhagen	Tjornhom
Boo	Jacobs	McPherson	Price	Tompkins
Brown	Janezich	Milbert	Quinn	Trimble
Burger	Jaros	Miller	Redalen	Tunheim
Carlson, D.	Jefferson	Morrison	Reding	Uphus
Carlson, L.	Jennings	Munger	Rest	Valento
Carruthers	Johnson, A.	Murphy	Rice	Vellenga
Conway	Johnson, R.	Nelson, C.	Richter	Wagenius
Cooper	Johnson, V.	Nelson, K.	Rodosovich	Waltman
Dauner	Kahn	Neuenschwander	Rukavina	Weaver
Dawkins	Kalis	Ogren	Runbeck	Welle
Dille	Kelly	Olsen, S.	Sarna	Wenzel
Dorn	Kelso	Olson, E.	Schafer	Williams
Forsythe	Kinkel	Olson, K.	Scheid	Winter
Frederick	Knickerbocker	Omann	Schreiber	Wynia
Frerichs	Krueger	Onnen	Seaberg	Spk. Vanasek

Those who voted in the negative were:

Clark

The bill was passed and its title agreed to.

H. F. No. 804, A bill for an act relating to Chisago county; permitting the cancellation of certain ditch assessments and providing for the allocation of others.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Blatz	Cooper	Greenfield	Jacobs
Anderson, R.	Boo	Dauner	Gruenes	Janezich
Battaglia	Brown	Dawkins	Gutknecht	Jaros
Bauerly	Burger	Dille	Hasskamp	Jefferson
Beard	Carlson, D.	Dorn	Haukoos	Jennings
Begich	Carlson, L.	Forsythe	Heap	Johnson, A.
Bennett	Carruthers	Frederick	Henry	Johnson, R.
Bertram	Clark	Frerichs	Himle	Johnson, V.
Bishop	Conway	Girard	Hugoson	Kahn

Kalis	Milbert	Otis	Runbeck	Trimble
Kelly	Miller	Ozment	Sarna	Tunheim
Kelso	Morrison	Pappas	Schafer	Uphus
Kinkel	Munger	Pauly	Scheid	Valento
Knickerbocker	Murphy	Pellow	Schreiber	Vellenga
Krueger	Nelson, C.	Pelowski	Seaberg	Wagenius
Lasley	Nelson, K.	Peterson	Segal	Waltman
Lieder	Neuenschwander	Poppenhagen	Simoneau	Weaver
Limmer	O'Connor	Price	Skoglund	Welle
Long	Ogren	Quinn	Solberg	Wenzel
Lynch	Olsen, S.	Redalen	Sparby	Williams
Macklin	Olson, E.	Reding	Stanius	Winter
Marsh	Olson, K.	Rest	Steensma	Wynia
McDonald	Omann	Rice	Sviggum	Spk. Vanasek
McEachern	Onnen	Richter	Swenson	
McGuire	Orenstein	Rodosovich	Tjornhom	
McPherson	Ostrom	Rukavina	Tompkins	

The bill was passed and its title agreed to.

H. F. No. 943, A bill for an act relating to health; requiring post-secondary students to submit a statement of immunization; providing exemptions; amending Minnesota Statutes 1988, section 123.70, subdivisions 1, 2, 4, 8, 9, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 135A.

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 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Lasley	Onnen	Segal
Anderson, R.	Girard	Lieder	Orenstein	Simoneau
Battaglia	Greenfield	Limmer	Ostrom	Skoglund
Bauerly	Gruenes	Long	Ozment	Solberg
Beard	Gutknecht	Lynch	Pappas	Sparby
Begich	Hasskamp	Macklin	Pauly	Stanius
Bennett	Haukoos	Marsh	Pellow	Steensma
Bertram	Heap	McDonald	Pelowski	Sviggum
Bishop	Henry	McEachern	Peterson	Swenson
Blatz	Himle	McGuire	Poppenhagen	Tjornhom
Boo	Hugoson	McPherson	Price	Tompkins
Brown	Jacobs	Milbert	Quinn	Trimble
Burger	Janezich	Miller	Redalen	Tunheim
Carlson, D.	Jaros	Morrison	Reding	Uphus
Carlson, L.	Jefferson	Munger	Rest	Valento
Carruthers	Jennings	Murphy	Rice	Vellenga
Clark	Johnson, A.	Nelson, C.	Richter	Wagenius
Conway	Johnson, R.	Nelson, K.	Rodosovich	Waltman
Cooper	Johnson, V.	Neuenschwander	Rukavina	Weaver
Dauner	Kahn	O'Connor	Rukavina	Welle
Dawkins	Kalis	Ogren	Sarna	Wenzel
Dille	Kelso	Olsen, S.	Schafer	Williams
Dorn	Kinkel	Olson, E.	Scheid	Winter
Forsythe	Knickerbocker	Olson, K.	Schreiber	Spk. Vanasek
Frederick	Krueger	Omann	Seaberg	

The bill was passed and its title agreed to.

S. F. No. 227 was reported to the House and given its third reading.

There being no objection, S. F. No. 227 was continued on the Calendar.

S. F. No. 686, A resolution memorializing the President and Congress to condemn the government of Iran because of its action against Salman Rushdie and to refuse efforts to return frozen Iranian assets to Iran.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Girard	Lieder	Orenstein	Simoneau
Anderson, R.	Greenfield	Limmer	Ostrom	Skoglund
Battaglia	Gruenes	Long	Otis	Solberg
Bauerly	Gutknecht	Lynch	Ozment	Sparby
Beard	Hasskamp	Macklin	Pappas	Stanius
Begich	Haukoos	Marsh	Pauly	Steensma
Bennett	Heap	McDonald	Pellow	Sviggum
Bertram	Henry	McEachern	Pelowski	Swenson
Bishop	Himle	McGuire	Peterson	Tjornhom
Blatz	Hugoson	McLaughlin	Poppenhagen	Tompkins
Boo	Jacobs	McPherson	Price	Trimble
Brown	Janezich	Milbert	Quinn	Tunheim
Burger	Jaros	Miller	Redalen	Uphus
Carlson, D.	Jefferson	Morrison	Reding	Valento
Carlson, L.	Jennings	Munger	Rest	Vellenga
Carruthers	Johnson, A.	Murphy	Rice	Wagenius
Clark	Johnson, R.	Nelson, C.	Richter	Waltman
Conway	Johnson, V.	Nelson, K.	Rodosovich	Weaver
Cooper	Kahn	Neuenschwander	Rukavina	Welle
Dauner	Kalis	O'Connor	Runbeck	Wenzel
Dawkins	Kelly	Ogren	Sarna	Williams
Dille	Kelso	Olsen, S.	Schafer	Winter
Dorn	Kinkel	Olson, E.	Scheid	Wynia
Forsythe	Knickerbocker	Olson, K.	Schreiber	
Frederick	Krueger	Omman	Seaberg	
Frerichs	Lasley	Onnen	Segal	

The bill was passed and its title agreed to.

The Speaker resumed the Chair.

### GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the

Committee of the Whole with Vanasek in the Chair for consideration of bills pending on General Orders of the day. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 489, 520 and 1056 were recommended to pass.

On the motion of Wynia the report of the Committee of the Whole was adopted.

#### MOTIONS AND RESOLUTIONS

Carruthers moved that the name of Macklin be added as an author on H. F. No. 299. The motion prevailed.

Scheid moved that the name of Bennett be added as an author on H. F. No. 543. The motion prevailed.

Trimble moved that the name of Osthoff be added as an author on H. F. No. 1104. The motion prevailed.

McLaughlin moved that the name of Dawkins be added as an author on H. F. No. 1272. The motion prevailed.

Blatz moved that the name of Beard be added as an author on H. F. No. 1277. The motion prevailed.

Orenstein moved that the name of Weaver be added as an author on H. F. No. 1282. The motion prevailed.

Simoneau moved that the name of Frederick be added as an author on H. F. No. 1339. The motion prevailed.

Valento moved that the name of Tjornhom be added as an author on H. F. No. 1344. The motion prevailed.

Wagenius moved that the name of Lynch be added as an author on H. F. No. 1345. The motion prevailed.

Segal moved that the name of Sparby be added as an author on H. F. No. 1346. The motion prevailed.

Carruthers moved that the name of Weaver be added as an author on H. F. No. 1353. The motion prevailed.

Carruthers moved that the name of Weaver be added as an author on H. F. No. 1354. The motion prevailed.

Jacobs moved that the name of Lynch be added as an author on H. F. No. 1356. The motion prevailed.

Reding moved that the name of Sparby be added as an author on H. F. No. 1362. The motion prevailed.

Hasskamp moved that the name of Lynch be added as an author on H. F. No. 1364. The motion prevailed.

Neuenschwander moved that the names of Lieder and Sparby be added as authors on H. F. No. 1371. The motion prevailed.

Knickerbocker moved that the names of Abrams and Olsen, S., be added as authors on H. F. No. 1403. The motion prevailed.

Price moved that the name of Valento be added as an author on H. F. No. 1406. The motion prevailed.

Simoneau moved that H. F. No. 324 be recalled from the Committee on Governmental Operations and be re-referred to the Committee on Environment and Natural Resources. The motion prevailed.

Simoneau moved that H. F. No. 796 be recalled from the Committee on Governmental Operations and be re-referred to the Committee on Environment and Natural Resources. The motion prevailed.

Simoneau moved that H. F. No. 843 be recalled from the Committee on Governmental Operations and be re-referred to the Committee on Environment and Natural Resources. The motion prevailed.

Kelly moved that H. F. No. 1088 be recalled from the Committee on Judiciary and be re-referred to the Committee on Appropriations. The motion prevailed.

Kelly moved that H. F. No. 1249 be recalled from the Committee on Health and Human Services and be re-referred to the Committee on Judiciary. The motion prevailed.

Solberg moved that H. F. No. 428, now on Technical General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

Bishop moved that H. F. No. 969 be returned to its author. The motion prevailed.

ANNOUNCEMENT BY THE SPEAKER

The Speaker announced the appointment of the following members of the House to a Conference Committee on H. F. No. 95:

Bishop, Kelly and Vellenga.

ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 2:30 p.m., Monday, April 3, 1989. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Monday, April 3, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION—1989

## TWENTY-SEVENTH DAY

SAINT PAUL, MINNESOTA, MONDAY, APRIL 3, 1989

The House of Representatives convened at 2:30 p.m. and was called to order by Robert E. Vanasek, Speaker of the House.

Prayer was offered by Rabbi Harold Kravitz of the Adath Jeshurun Synagogue, Minneapolis, Minnesota.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Abrams	Frerichs	Krueger	Onnen	Seaberg
Anderson, G.	Girard	Lasley	Orenstein	Segal
Anderson, R.	Greenfield	Lieder	Osthoff	Simoneau
Battaglia	Gruenes	Limmer	Ostrom	Skoglund
Bauerly	Gutknecht	Long	Otis	Solberg
Beard	Hartle	Lynch	Ozment	Sparby
Begich	Hasskamp	Macklin	Pappas	Stanius
Bennett	Haukoos	Marsh	Pauly	Steensma
Bertram	Heap	McDonald	Pellow	Sviggum
Bishop	Henry	McEachern	Pelowski	Swenson
Blatz	Himle	McGuire	Peterson	Tjornhom
Boo	Hugoson	McLaughlin	Poppenhagen	Tompkins
Brown	Jacobs	McPherson	Price	Trimble
Burger	Janezich	Milbert	Pugh	Tunheim
Carlson, D.	Jaros	Miller	Quinn	Uphus
Carlson, L.	Jefferson	Morrison	Redalen	Valento
Carruthers	Jennings	Munger	Reding	Vellenga
Clark	Johnson, A.	Murphy	Rest	Wagenius
Conway	Johnson, R.	Nelson, C.	Rice	Waltman
Cooper	Johnson, V.	Nelson, K.	Richter	Weaver
Dauner	Kahn	Neuenschwander	Rodosovich	Welle
Dawkins	Kalis	O'Connor	Rukavina	Wenzel
Dempsey	Kelly	Ogren	Runbeck	Williams
Dille	Kelso	Olsen, S.	Sarna	Winter
Dorn	Kinkel	Olsen, E.	Schafer	Wynia
Forsythe	Knickerbocker	Olson, K.	Scheid	Spk. Vanasek
Frederick	Kostohryz	Omann	Schreiber	

A quorum was present.

The Chief Clerk proceeded to read the Journal of the preceding day. Kelly 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

Pursuant to Rules of the House, printed copies of H. F. Nos. 1155, 770, 956, 989, 1117, 185, 245, 493, 529, 593, 1014 and 1090 and S. F. No. 1011 have been placed in the members' files.

#### PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
ST. PAUL 55155

March 29, 1989

The Honorable Robert E. Vanasek  
Speaker of the House of Representatives  
The State of Minnesota

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 148, relating to local government; permitting the counties of Washington and Anoka to establish certain payment procedures.

H. F. No. 512, relating to local government; authorizing towns to require a bond or other security in establishing cartways.

H. F. No. 387, relating to traffic regulations; exempting state patrol troopers from requirement of security barrier in marked state patrol vehicles.

H. F. No. 509, relating to the city of St. Peter; providing for a seven-member municipal hospital board and a nine-member economic development authority.

Sincerely,

RUDY PERFICH  
Governor

STATE OF MINNESOTA  
OFFICE OF THE SECRETARY OF STATE  
ST. PAUL 55155

The Honorable Robert E. Vanasek  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1989 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F.</i> <i>No.</i>	<i>H.F.</i> <i>No.</i>	<i>Session Laws</i> <i>Chapter No.</i>	<i>Time and</i> <i>Date Approved</i> <i>1989</i>	<i>Date Filed</i> <i>1989</i>
	148	13	9:17-March 29	March 29
121		14	13:44-March 29	March 29
149		15	9:18-March 29	March 29
	512	16	13:45-March 29	March 29
	387	17	13:42-March 29	March 29
	509	18	13:44-March 29	March 29

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

**REPORTS OF STANDING COMMITTEES**

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 66, A bill for an act relating to gambling; creating a department of gaming; authorizing a state lottery to be conducted by

a division of state lottery within the department of gaming; creating a division of charitable gambling control and transferring certain powers of the charitable gambling control board to that division and to the department of revenue; creating a division of pari-mutuel racing; creating a division of inspection and enforcement and providing for its duties; prescribing penalties; appropriating money; amending Minnesota Statutes 1988, sections 10A.01, subdivision 18; 10A.09, subdivision 1; 15.06, subdivision 1; 15A.081, subdivision 1; 240.01, by adding subdivisions; 240.02, subdivisions 1 and 2; 240.04, subdivisions 1, 3, and 7; 240.06, subdivisions 3 and 8; 240.07, subdivision 2; 240.08, subdivision 3; 240.21; 240.28; 290.01, subdivision 19b; 297A.25, by adding a subdivision; 340A.410, subdivision 5; 349.12, subdivisions 11, 17, and 20, and by adding subdivisions; 349.151, subdivisions 1, 2, 4, and 5; 349.16, subdivision 4; 349.161, subdivision 4; 349.162, subdivisions 1, 2, 4, and 5; 349.163; 349.18, subdivision 1; 349.19, subdivisions 5 and 6; 349.212; 349.2121, subdivisions 2, 3, 4, 4a, 6, 7, 8, and 10; 349.2122; 349.2125, subdivisions 1, 2, and 3; 349.2127, subdivision 2; 349.214, subdivision 2; 349.22, subdivisions 1 and 3; 541.20; 541.21; 609.75; 609.761; and 626.85, subdivision 1; proposing coding for new law as Minnesota Statutes, chapters 349A; 349B; and 349C; proposing coding for new law in Minnesota Statutes, chapters 240 and 349; repealing Minnesota Statutes 1988, sections 240.02, subdivision 7; 349.151, subdivisions 3 and 5; 349.161, subdivision 7; 349.164, subdivision 5; 349.171; and 349.22, subdivision 4.

Reported the same back with the following amendments:

Page 3, line 2, after the period insert "After that date, the commission consists of eight members appointed by the governor with the advice and consent of the senate, plus the commissioner as a voting member."

Page 4, lines 30 and 32, strike "executive"

Page 4, line 33, delete "If" and insert "The"

Page 40, line 27, delete "AGENCY" and insert "DIVISION"

Page 41, after line 16, insert:

"A hearing under this subdivision must be conducted by the person proposing to remove the director."

Page 42, line 2, delete "shall" and insert "may"

Page 42, line 9, after the first "employees" insert "who are finalists as defined in section 13.43, subdivision 3,"

Page 43, line 5, delete "and"

Page 43, line 8, delete the period and insert “; and

(4) to approve additional compensation for the director under subdivision 3.

Subd. 3. [DIRECTOR; ADDITIONAL COMPENSATION.] The board shall adopt objective criteria for evaluating the performance of the director. The criteria must include, but is not limited to, the performance factors in section 3, subdivision 2, paragraph (b), clauses (1) to (4). The board may approve, by majority vote of all members, compensation for the director in addition to the compensation provided under section 15A.081, subdivision 1, based on the director's performance in office as evaluated according to the board's criteria. The additional compensation shall be paid from the lottery operations fund. The board may not approve additional compensation under this subdivision more often than once in a 12-month period.”

Page 53, line 1, after the period insert:

“Subd. 9.”

Page 61, line 31, delete “seeking” and insert “who are finalists, as defined in section 13.43, subdivision 3, for”.

Page 68, after line 14, insert:

“Sec. 4. Minnesota Statutes 1988, section 43A.08, subdivision 1a, is amended to read:

Subd. 1a. [ADDITIONAL UNCLASSIFIED POSITIONS.] Appointing authorities for the following agencies may designate additional unclassified positions according to this subdivision: the departments of administration; agriculture; commerce; corrections; jobs and training; education; employee relations; trade and economic development; finance; gaming; health; human rights; labor and industry; natural resources; office of administrative hearings; public safety; public service; human services; revenue; transportation; and veterans affairs; the housing finance, state planning, and pollution control agencies; the state board of investment; the waste management board; the offices of the secretary of state, state auditor, and state treasurer; the state board of vocational technical education; the school and resource center for the arts; and the Minnesota zoological board.

A position designated by an appointing authority according to this subdivision must meet the following standards and criteria:

(1) the designation of the position would not be contrary to other law relating specifically to that agency;

(2) the person occupying the position would report directly to the agency head or deputy agency head and would be designated as part of the agency head's management team;

(3) the duties of the position would involve significant discretion and substantial involvement in the development, interpretation, and implementation of agency policy;

(4) the duties of the position would not require primarily personnel, accounting, or other technical expertise where continuity in the position would be important;

(5) there would be a need for the person occupying the position to be accountable to, loyal to, and compatible with the governor and the agency head, or the employing constitutional officer;

(6) the position would be at the level of division or bureau director or assistant to the agency head; and

(7) the commissioner has approved the designation as being consistent with the standards and criteria in this subdivision."

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 14, after the semicolon insert "43A.08, subdivision 1a;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 235, A bill for an act relating to human services; authorizing counties to establish multidisciplinary chemical dependency prevention teams; authorizing the state planning agency to fund these teams in several counties on a demonstration basis; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 254A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

**"Section 1. [254A.075] [MULTIDISCIPLINARY CHEMICAL ABUSE PREVENTION TEAM.]**

Subdivision 1. [ESTABLISHMENT OF TEAM.] A county, a multicounty organization of counties formed by an agreement under section 471.59, or a city with a population of no more than 50,000, may establish a multidisciplinary chemical abuse prevention team. The chemical abuse prevention team may include, but not be limited to, representatives of health, mental health, public health, law enforcement, educational, social service, court service, community education, religious, and other appropriate agencies, and parent and youth groups. For purposes of this section, "chemical abuse" has the meaning given in Minnesota Rules, part 9530.6605, subpart 6. When possible the team must coordinate its activities with existing local groups, organizations, and teams dealing with the same issues the team is addressing.

Subd. 2. [DUTIES OF TEAM.] (a) A multidisciplinary chemical abuse prevention team shall:

(1) assist in coordinating chemical abuse prevention and treatment services provided by various groups, organizations, and agencies in the community;

(2) disseminate information on the chemical abuse prevention and treatment services that are available within the community in which the team is established;

(3) develop and conduct educational programs on chemical abuse prevention for adults and youth within the community in which the team is established;

(4) conduct activities to address other high-risk behaviors related to chemical abuse, including, but not limited to, suicide, delinquency, and family violence; and

(5) conduct other appropriate chemical abuse prevention activities.

(b) The team, in carrying out its duties under this subdivision, must focus on chemical abuse issues and needs unique to the community in which the team is established. In defining the needs and goals of the team, the team shall consult with the governmental body of the city or county in which the team is established. When a team is established in a multicounty area, the team shall consult with representatives of the county boards of each county.

(c) The team, in carrying out its duties, shall comply with the government data practices act in chapter 13, and requirements for confidentiality of records under Code of Federal Regulations, title

42, sections 2.1 to 2.67, as amended through December 31, 1988, and section 254A.09.

Subd. 3. [GRANTS FOR DEMONSTRATION PROGRAM.] The state planning agency may award a grant to a county, multicounty organization, or city, as described in subdivision 1, for establishing and operating a multidisciplinary chemical abuse prevention team. The agency may approve up to five applications for grants under this subdivision. The grant funds must be used to establish a multidisciplinary chemical abuse prevention team to carry out the duties in subdivision 2.

Subd. 4. [STATE PLANNING; ADMINISTRATION OF GRANTS.] The state planning agency shall develop a process for administering grants under subdivision 3. The process must be compatible with the community grant program that the agency administers under the Drug Free Schools and Communities Act, Public Law Number 100-690. The process for administering the grants must include establishing criteria the state planning agency shall apply in awarding grants. The state planning agency shall issue requests for proposals for grants under subdivision 3. The request must be designed to obtain detailed information about the applicant and other information the state planning agency considers necessary to evaluate and select a grant recipient. The applicant shall submit a proposal for a grant on a form and in a manner prescribed by the state planning agency. The state planning agency shall award grants under this section so that 50 percent of the funds appropriated for the grants go to the metropolitan area comprised of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington counties, and 50 percent of the funds go to the area outside the metropolitan area. The process for administering the grants must also include procedures for monitoring the recipients' use of grant funds and reporting requirements for grant recipients.

Sec. 2. [MONITORING AND REPORT OF CHEMICAL ABUSE PREVENTION TEAMS.]

The state planning agency shall monitor the activities of teams funded under the demonstration program for multidisciplinary chemical abuse prevention teams under section 1, and report to the legislature on or before January 1, 1991, on the teams' operation and progress.

Sec. 3. [APPROPRIATION.]

§ . . . . . is appropriated for the biennium ending June 30, 1991, from the general fund to the commissioner of the state planning agency for the purposes of sections 1 and 2."

Amend the title as follows:

Page 1, line 3, delete "dependency" and insert "abuse"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations:

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 257, A bill for an act relating to state government; eliminating the requirement that certain reports of occupational licensing boards be summarized; eliminating certain prohibitions against state purchase of insurance; regulating state sale of goods and services; amending Minnesota Statutes 1988, sections 15.39, subdivision 1; 16A.85, subdivision 2; 16B.06, subdivisions 1, 2, and 4; and 16B.405; repealing Minnesota Statutes 1988, sections 15.38; and 214.07, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 15.0575, subdivision 3, is amended to read:

Subd. 3. [COMPENSATION.] Members of the boards shall be compensated at the rate of at least \$35 per day spent on board activities, when authorized by the board, plus expenses in the same manner and amount as authorized by the commissioner's plan adopted pursuant to section 43A.18, subdivision 2. A board may authorize compensation of up to \$55 per day spent on board activities. Members who, as a result of time spent attending board meetings, incur child care expenses that would not otherwise have been incurred, may be reimbursed for those expenses upon board authorization. Members who are full-time state employees or full-time employees of the political subdivisions of the state shall not receive the \$35 per day daily compensation, but they shall suffer no loss in compensation or benefits from the state or a political subdivision as a result of their service on the board. Members who are full-time state employees or full-time employees of the political subdivisions of the state may receive the expenses provided for in this subdivision unless the expenses are reimbursed by another source. Members who are state employees or employees of political subdivisions of the state may be reimbursed for child care expenses only for time spent on board activities that are outside their normal working hours.

Sec. 2. Minnesota Statutes 1988, section 15.16, is amended to read:

## 15.16 [TRANSFER OF LANDS BETWEEN DEPARTMENTS.]

Subdivision 1. [AGREEMENT.] ~~In order~~ To facilitate the transfer of the control of state owned lands between state departments and agencies of government and to avoid the necessity of condemning state lands by a department or agency of government of the state, any a department or agency of the state government of the State of Minnesota may acquire the control of state lands for public purposes from the department or agency of state government having such those lands under its control and supervision, upon such terms and conditions as may be that are mutually agreed upon by the heads of the interested state departments or agencies.

Subd. 2. [EXECUTIVE COUNCIL TO DETERMINE TERMS.] ~~In the event~~ If the heads of such the departments or agencies acting under subdivision 1 are unable to agree as to on the terms and conditions of a transfer of control of these state lands, the executive council, upon application of a state department or agency having the power to acquire lands for public purposes, shall determine the terms and conditions and may order the transfer of the control of state lands to the department so or agency requesting the transfer.

Subd. 3. [COMMISSIONER OF FINANCE AND TREASURER TO TRANSFER FUNDS.] The commissioner of finance and the state treasurer are hereby authorized and directed to transfer funds between state departments and agencies to effect the terms and conditions to transfer the control of real estate as hereinbefore provided in this section.

Subd. 4. [ATTORNEY GENERAL TO PRESCRIBE FORM OF TRANSFER.] The transfer of control of real estate as hereinbefore provided shall under this section must be made on such transfer documents as prescribed by the attorney general shall prescribe, and all such the transfer documents shall must be permanently filed in the office of the commissioner of finance.

Subd. 5. [OBTAINING RECOMMENDATION.] No control of state-owned lands shall may be transferred between state departments or agencies without the departments or agencies first consulting the chairs of the senate finance committee and house of representatives appropriations committee and obtaining their recommendations. The recommendations shall be are advisory only. Failure to obtain a prompt recommendation shall be is deemed a negative recommendation.

Sec. 3. Minnesota Statutes 1988, section 15.17, subdivision 1, is amended to read:

Subdivision 1. [MUST BE KEPT.] All officers and agencies of the state, counties, cities, towns, school districts, municipal subdivisions or corporations, or other public authorities or political entities

within the state, hereinafter "public officer," shall make and preserve all records necessary to a full and accurate knowledge of their official activities. All government records shall be made on a physical medium of a quality to insure permanent records. Every public officer, is empowered to reproduce records by any photographic, photostatic, microphotographic, or optical disk imaging system, microfilming means which produces copies meeting, or other reproduction methods if the record is not deemed to be of permanent or archival value as authorized by the commissioner of administration and the records disposition panel under section 138.17. If the record is deemed to be of permanent or archival value, any reproduction of the record must meet archival standards specified by the Minnesota historical society and which clearly and accurately reproduces the records. Each public officer may order that those photographs, photostats, microphotographs, microfilms, or other reproductions, be substituted for the originals of them. The public officer may direct the destruction or sale for salvage or other disposition of the originals from which they were made, in accordance with the disposition requirements of section 138.17. Photographs, photostats, microphotographs, microfilms, or other reproductions shall for all purposes be deemed the original recording of the papers, books, documents and records reproduced when so ordered by any public officer and shall be admissible as evidence in all courts and proceedings of every kind. A facsimile or exemplified or certified copy of a photograph, photostat, microphotograph, microfilm, or other reproduction, or an enlargement or reduction of it, shall have the same effect and weight as evidence as would a certified or exemplified copy of the original.

Sec. 4. Minnesota Statutes 1988, section 15.39, subdivision 1, is amended to read:

Subdivision 1. Notwithstanding the provisions of section 15.38, or any other law to the contrary, the commissioner of the department of jobs and training of the state of Minnesota may insure the state of Minnesota purchase insurance against loss by fire, flood, wind-storm, or tornado to state-owned buildings occupied by said the department, in from any insurance companies licensed to do business in this state in such an amount as that the commissioner may from time to time determine and to pay premiums therefor for the insurance from federal funds granted for the administration of the department of jobs and training.

Sec. 5. Minnesota Statutes 1988, section 16A.85, subdivision 2, is amended to read:

Subd. 2. [COVENANTS.] The commissioner of finance may covenant in a master lease that the state will abide by the terms and provisions that are customary in net lease or lease-purchase transactions including, but not limited to, covenants providing that the state:

(1) will maintain ~~rental interruption, liability, and casualty insurance notwithstanding section 15.38~~ as required under the terms of the lease agreement;

(2) is responsible to the lessor for any public liability or property damage claims or costs related to the selection, use, or maintenance of the leased equipment, to the extent of insurance or self-insurance maintained by the lessee, and for costs and expenses incurred by the lessor as a result of any default by the lessee;

(3) authorizes the lessor to exercise the rights of a secured party with respect to the equipment subject to the lease in the event of default by the lessee and, in addition, for the present recovery of lease rentals due during the current term of the lease as liquidated damages.

Sec. 6. Minnesota Statutes 1988, section 16B.06, subdivision 4, is amended to read:

Subd. 4. [SUBJECT TO AUDIT.] A contract or any disbursement of public funds to a provider of services or a grantee, made by or under the supervision of the commissioner, an agency, or any county or unit of local government shall must include, expressly or impliedly, an audit clause that provides that the books, records, documents, and accounting procedures and practices of the contractor or other party, relevant to the contract or transaction are subject to examination by the contracting agency, and either the legislative auditor or the state auditor as appropriate. A state contract made for purchase, lease, or license of software and data from the state is not required to contain that audit clause.

Sec. 7. Minnesota Statutes 1988, section 16B.19, subdivision 6, is amended to read:

Subd. 6. [CONTRACTS IN EXCESS OF \$200,000; SET-ASIDE.] The commissioner as a condition of awarding state procurements for construction contracts or approving contracts for consultant, professional, or technical services pursuant to section 16B.17 in excess of \$200,000 shall require that at least ten percent of the contract award to a prime contractor be subcontracted to a business owned and operated by a socially or economically disadvantaged person or persons or that at least ten percent of the contract award be expended in purchasing materials or supplies from said person or persons. If there is no socially or economically disadvantaged person or persons or other small businesses able to perform the subcontract or to provide the supplies or materials, the construction contract or contract for consultant, professional, or technical services may be awarded notwithstanding the ten percent requirement provided that the ten percent requirement is made up in other such contracts awarded or to be awarded by the same agency. In determining if a business is able to perform a prime contract or subcontract or

provide supplies or materials, the commissioner must consider whether a business is a responsible bidder, based on criteria in the commissioner's rules defining responsible bidders. Any subcontracting or purchasing of supplies and materials pursuant to this subdivision may not be included in determining the total amount of awards required by subdivisions 1, 2, and 5. In the event small businesses owned and operated by socially and economically disadvantaged persons are unable to perform ten percent of the prime contract award, the commissioner shall require that other small businesses perform at least ten percent of the prime contract award. The commissioner may determine that small businesses owned and operated by socially and economically disadvantaged persons are unable to perform at least ten percent of the prime contract award prior to the advertising for bids. Each construction contractor bidding on a project over \$200,000 shall submit with the bid a list of the businesses owned and operated by socially or economically disadvantaged persons that are proposed to be utilized on the project with a statement indicating the portion of the total bid to be performed by each business. The commissioner shall reject any bid to which this subdivision applies that does not contain this information. Prime contractors receiving construction contract awards in excess of \$200,000 shall furnish to the commissioner the name of each business owned and operated by a socially or economically disadvantaged person or persons or other small business that is performing work or supplying supplies and materials on the prime contract and the dollar amount of the work performed or to be performed or the supplies and materials to be supplied. Once the contract has been awarded, the prime contractor must use the socially and economically disadvantaged subcontractors proposed to be utilized on the project, unless the subcontractors are unable to perform in accordance with the award.

This subdivision does not apply to prime contractors that are themselves small businesses owned and operated by socially or economically disadvantaged persons, as duly certified pursuant to section 16B.22.

Sec. 8. Minnesota Statutes 1988, section 16B.20, subdivision 2, is amended to read:

Subd. 2. [ADVISORY COUNCIL.] ~~A~~ The small business procurement advisory council is ~~created~~. ~~The council~~ consists of 13 members appointed by the commissioner of administration. A chair of the advisory council ~~shall~~ must be elected from among the members. The appointments are subject to the appointments program provided by section 15.0597. The terms, compensation, and removal of members are as provided in section 15.059, ~~but members do not receive per diem~~. ~~The council expires as provided in section 15.059, subdivision 5.~~

Sec. 9. Minnesota Statutes 1988, section 16B.22, subdivision 1, is amended to read:

Subdivision 1. [ELIGIBILITY.] (a) A small business owned and operated by socially or economically disadvantaged persons is eligible to participate under the requirements of sections 16B.19 to 16B.22 for a maximum of five years ~~from the date of receipt of the first set-aside award~~ and after that period is not eligible to participate for another five years. The five-year eligibility period begins on January 1 of the year in which the business received its first award under this program if the award was made between January 1 and June 30, and on July 1 of the year in which the business received its first award under this program if the award was made between July 1 and December 31.

(b) A business is not eligible to participate in this program if:

(1) the socially or economically disadvantaged owner or the business has previously participated in the program and exceeded the five-year limit specified in paragraph (a);

(2) the business has exceeded the five-year limit specified in paragraph (a) and has been renamed, restructured, or otherwise reorganized; or

(3) ownership or operating control of the business was transferred from a person not socially or economically disadvantaged to a socially or economically disadvantaged person within the last two years. The two-year period may be waived at the discretion of the commissioner, taking into account the circumstances surrounding the change in ownership or operating control.

A small business that received its first set-aside award more than five years before July 1, 1985, is not eligible to participate for five years after July 1, 1985. The five-year maximum does not apply to sheltered workshops and work activity programs.

Sec. 10. Minnesota Statutes 1988, section 16B.24, subdivision 1, is amended to read:

Subdivision 1. [OPERATION AND MAINTENANCE OF BUILDINGS.] The commissioner is authorized to maintain and operate the state capitol building and grounds, subject to whatever standards and policies are set for its appearance and cleanliness by the capitol area architectural and planning board and the commissioner pursuant to under section 15.50, subdivision 2, clause (h), and the state office building, the historical society building, the Normandale, Anoka-Ramsey, North Hennepin, Lakewood, Metropolitan, and South East Metropolitan Community Colleges, the economic security buildings in Minneapolis and St. Paul, the state department of

health building, and the surplus property building, and their grounds, and, when the commissioner considers it advisable and practicable, any other building or premises owned or rented by the state for the use of a state agency. The commissioner shall assign and reassign office space in the capitol and state buildings to make an equitable division of available space among agencies. The power granted in this subdivision does not apply to state hospitals or to educational, penal, correctional, or other institutions not enumerated in this subdivision the control of which is vested by law in some other agency.

**Sec. 11. [16B.465] [STATEWIDE TELECOMMUNICATIONS ACCESS ROUTING SYSTEM.]**

Subdivision 1. [CREATION.] The statewide telecommunications access routing system provides voice, data, video, and other telecommunications transmission services to state agencies, educational institutions, public corporations, and state political subdivisions. It is not a telephone company for purposes of chapter 237. It shall not resell or sublease any services or facilities to nonpublic entities. The commissioner has the responsibility for planning, development, and operations of a statewide telecommunications access routing system in order to provide cost effective telecommunications transmission services to system users.

Subd. 2. [ADVISORY COUNCIL.] The statewide telecommunications access routing system is managed by the commissioner. Subject to section 15.059, subdivisions 1 to 4, the commissioner shall appoint an advisory council to provide assistance in implementing a statewide telecommunications access routing system. The council consists of:

(1) one member appointed by the higher education advisory council established by section 136A.02, subdivision 6;

(2) the system heads, or their designees, of the University of Minnesota, the state university system, the community colleges system, and the board of vocational technical education; and

(3) five members appointed by the governor or the governor's designee or designees, four of whom must be agency heads, or their designees or representatives of political subdivisions.

No member of the advisory council may be a vendor of telecommunications equipment or services or an employee or representative of a vendor.

Subd. 3. [DUTIES.] The commissioner, after consultation with the council, shall:

(1) provide voice, data, video, and other telecommunications transmission services to the state and to political subdivisions through the statewide telecommunications access routing system revolving fund;

(2) appoint a chief executive officer of the system to serve in the unclassified service;

(3) manage vendor relationships, network function, and capacity planning in order to be responsive to the needs of the system users;

(4) set rates and fees for services;

(5) approve contracts relating to the system; and

(6) develop the system plan, including plans for the phasing of its implementation and maintenance of the initial system, and the annual program and fiscal plans for the system.

Subd. 4. [REVOLVING FUND.] The statewide telecommunications access routing system revolving fund is a separate fund for the department of administration in the state treasury for the receipt of and payment of funds for the statewide telecommunications access routing system established in subdivision 1. Money appropriated to the fund and fees for communications services provided by the statewide telecommunications access routing system must be deposited in the fund. Money in the fund is appropriated annually to the commissioner to operate the statewide telecommunications access routing system.

Subd. 5. [EXEMPTION.] The system is exempt from the five-year limitation on contracts set by section 16B.07, subdivision 2.

Sec. 12. Minnesota Statutes 1988, section 16B.48, is amended to read:

**16B.48 [GENERAL SERVICES AND COMPUTER SERVICES INTERTECHNOLOGIES REVOLVING FUNDS.]**

Subdivision 1. [REIMBURSEMENTS.] Fees prescribed pursuant to under section 16B.51, for the rendering of the services provided in that section are deposited in the state treasury by the collecting agency and credited to the general services revolving fund.

Subd. 2. [PURPOSE OF FUNDS.] Money in the state treasury credited to the general services revolving fund and money which that is deposited in the fund is appropriated annually to the commissioner for the following purposes:

(1) to operate a central store and equipment service;

- (2) to operate a central duplication and printing service;
- (3) to purchase postage and related items and to refund postage deposits as necessary to operate the central mailing service;
- (4) to operate a documents service as prescribed by section 16B.51;
- (5) to provide advice and other services to political subdivisions for the management of their records, information, and telecommunication systems;
- (6) to provide services for the maintenance, operation, and upkeep of buildings and grounds managed by the commissioner of administration;
- (7) to provide analytical, statistical, and organizational development services to state agencies, local units of government, metropolitan and regional agencies, and school districts;
- (8) to provide capitol security services through the department of public safety; and
- (9) to perform services for any other agency. Money ~~shall~~ may be expended for this purpose only when directed by the governor. The agency receiving the services shall reimburse the fund for their cost, and the commissioner shall make the appropriate transfers when requested. The term "services" as used in this clause means compensation paid officers and employees of the state government; supplies, materials, equipment, and other articles and things used by or furnished to an agency; and utility services, and other services for the maintenance, operation, and upkeep of buildings and offices of the state government.

Subd. 3. [~~COMPUTER SERVICES INTERTECHNOLOGIES REVOLVING FUND.~~] Money in the ~~computer services intertechnologies~~ revolving fund is appropriated annually to the commissioner to operate the division of computer information, records, and telecommunications services.

Subd. 4. [REIMBURSEMENTS.] Except as specifically provided otherwise by law, each agency shall reimburse ~~the computer services intertechnologies~~ and general services revolving funds for the cost of all services, supplies, materials, labor, and depreciation of equipment, including reasonable overhead costs, which the commissioner is authorized and directed to furnish an agency. The cost of all publications or other materials produced by the commissioner and financed from the general services revolving fund ~~shall~~ must include reasonable overhead costs. The commissioner of finance shall make appropriate transfers to the revolving funds described in this section when requested by the commissioner of administration. The com-

missioner of administration may make allotments, encumbrances, and, with the approval of the commissioner of finance, disbursements in anticipation of such transfers. In addition, the commissioner of administration, with the approval of the commissioner of finance, may require an agency to make advance payments to the revolving funds in this section sufficient to cover the agency's estimated obligation for a period of at least 60 days. All such reimbursements and other money received by the commissioner of administration under this section shall must be deposited in the appropriate revolving fund. Any earnings remaining in the fund established to account for the documents service prescribed by section 16B.51 at the end of each fiscal year not otherwise needed for present or future operations, as determined by the commissioners of administration and finance, shall must be transferred to the general fund.

Subd. 5. [LIQUIDATION.] If the ~~computer services intertechnologies~~ or general services revolving fund is abolished or liquidated, the total net profit from the operation of each fund shall must be distributed to the various funds from which purchases were made. The amount to be distributed to each fund shall must bear to such the net profit the same ratio as the total purchases from each fund bears to the total purchases from all the funds during such the same period of time as shall fairly reflect the amount of net profit each fund is entitled to receive under the distribution required by this section.

Sec. 13. Minnesota Statutes 1988, section 16B.54, subdivision 2, is amended to read:

Subd. 2. [VEHICLES.] (a) [ACQUISITION FROM AGENCY; APPROPRIATION.] The commissioner may direct an agency to make a transfer of a passenger motor vehicle or truck ~~presently~~ currently assigned to it. The transfer must be made to the commissioner for use in the central motor pool. The commissioner shall reimburse an agency whose motor vehicles have been paid for with funds dedicated by the constitution for a special purpose and which are assigned to the central motor pool. The amount of reimbursement for a motor vehicle is its average wholesale price as determined from the midwest edition of the national automobile dealers association official used car guide.

(b) [PURCHASE.] To the extent that funds are available for the purpose, the commissioner may purchase or otherwise acquire additional passenger motor vehicles and trucks necessary for the central motor pool. The title to all motor vehicles assigned to or purchased or acquired for the central motor pool is in the name of the department of administration.

(c) [TRANSFER AT AGENCY REQUEST.] On the request of an agency, the commissioner may transfer to the central motor pool any

passenger motor vehicle or truck for the purpose of disposing of it. The department or agency transferring the vehicle or truck shall must be paid for it from the motor pool revolving account established by this section in an amount equal to two-thirds of the average wholesale price of the vehicle or truck as determined from the midwest edition of the National Automobile Dealers Association official used car guide.

(d) [VEHICLES; MARKING.] The commissioner shall provide for the uniform marking of all motor vehicles. Motor vehicle colors must be selected from the regular color chart provided by the manufacturer each year. The commissioner may further provide by rule for the use of motor vehicles without uniform coloring or marking by the governor, the lieutenant governor, the division of criminal apprehension, arson investigators of the division of fire marshal in the department of public safety, financial institutions division of the department of commerce, and the office of the attorney general, and the investigative staff of the department of jobs and training.

Sec. 14. Minnesota Statutes 1988, section 138.17, subdivision 1, is amended to read:

Subdivision 1. [DESTRUCTION, PRESERVATION, REPRODUCTION OF RECORDS; PRIMA FACIE EVIDENCE.] The attorney general, legislative auditor in the case of state records, state auditor in the case of local records, and director of the Minnesota historical society, hereinafter director, shall constitute the records disposition panel. The members of the panel shall have power by unanimous consent to direct the destruction or sale for salvage of government records determined to be no longer of any value, or to direct the disposition by gift to the Minnesota historical society or otherwise of government records determined to be valuable for preservation. The records disposition panel may by unanimous consent order any of those records to be reproduced by photographic or other means, and order that photographic or other reproductions be substituted for the originals of them. It may direct the destruction or sale for salvage or other disposition of the originals from which they were made. Photographic or other reproductions shall for all purposes be deemed the originals of the records reproduced when so ordered by the records disposition panel, and shall be admissible as evidence in all courts and in proceedings of every kind. A facsimile, exemplified or certified copy of a photographic, optical disk imaging, or other reproduction, or an enlargement or reduction of it, shall have the same effect and weight as evidence as would a certified or exemplified copy of the original. The records disposition panel, by unanimous consent, may direct the storage of government records, except as herein provided, and direct the storage of photographic or other reproductions. Photographic or other reproductions substituted for original records shall be disposed of in accordance with the procedures provided for the original records. For the purposes of this chapter: (1) The term "government records" means state and local

records, including all cards, correspondence, discs, maps, memoranda, microfilms, papers, photographs, recordings, reports, tapes, writings, optical disks, and other data, information or documentary material, regardless of physical form or characteristics, storage media or conditions of use, made or received by an officer or agency of the state and an officer or agency of a county, city, town, school district, municipal subdivision or corporation or other public authority or political entity within the state pursuant to state law or in connection with the transaction of public business by an officer or agency; (2) The term "state record" means a record of a department, office, officer, commission, commissioner, board or any other agency, however styled or designated, of the executive branch of state government; a record of the state legislature; a record of any court, whether of statewide or local jurisdiction; and any other record designated or treated as a state record under state law; (3) The term "local record" means a record of an agency of a county, city, town, school district, municipal subdivision or corporation or other public authority or political entity; (4) The term "records" excludes data and information that does not become part of an official transaction, library and museum material made or acquired and kept solely for reference or exhibit purposes, extra copies of documents kept only for convenience of reference and stock of publications and processed documents, and bonds, coupons, or other obligations or evidences of indebtedness, the destruction or other disposition of which is governed by other laws; (5) The term "state archives" means those records preserved or appropriate for preservation as evidence of the organization, functions, policies, decisions, procedures, operations or other activities of government or because of the value of the information contained in them, when determined to have sufficient historical or other value to warrant continued preservation by the state of Minnesota and accepted for inclusion in the collections of the Minnesota historical society.

Sec. 15. Minnesota Statutes 1988, section 214.07, subdivision 2, is amended to read:

Subd. 2. [SUMMARY OF BOARD REPORTS.] Not later than December 15 of each even-numbered year, the commissioner of health with respect to the health-related licensing boards and the commissioner of administration with respect to the non-health-related boards shall prepare summary reports compiling the information required by subdivision 1, clauses (b) and (g) to (p) and contained in the reports submitted by the boards the preceding year pursuant to subdivision 1. The summary reports shall must also specify the staff and services provided by the departments department to each board. The summary reports shall must be distributed to the legislature pursuant to under section 3.195 and to the governor.

Sec. 16. Minnesota Statutes 1988, section 214.09, subdivision 3, is amended to read:

Subd. 3. [COMPENSATION.] Members of the boards shall be compensated at the rate of at least \$35 per day spent on board activities, when authorized by the board, plus expenses in the same manner and amount as authorized by the commissioner's plan adopted according to section 43A.18, subdivision 2. A board may authorize compensation of up to \$55 per day spent on board activities. Members who, as a result of time spent attending board meetings, incur child care expenses that would not otherwise have been incurred, may be reimbursed for those expenses upon board authorization. If members who are full-time state employees or employees of the political subdivisions of the state receive the \$35 per day daily compensation, and if the major part of their activities occur during normal working hours for which they are also compensated by the state or political subdivision, the employer shall deduct the \$35 amount of the daily compensation from the employee's compensation for that day. In no other case shall a board member who is an employee of the state or political subdivision suffer a loss in compensation or benefits as a result of service on the board. Members who are state employees or employees of the political subdivisions of the state may receive the expenses provided for in this subdivision unless the expenses are reimbursed by another source. Members who are state employees or employees of political subdivisions of the state may be reimbursed for child care expenses only for time spent on board activities that are outside their normal working hours.

Sec. 17. Minnesota Statutes 1988, section 600.135, subdivision 1, is amended to read:

Subdivision 1. [RECORDS; DESTRUCTION, PHOTOGRAPHIC COPIES.] If any business, institution, member of a profession or calling, or any department or agency of government, in the regular course of business or activity has kept or recorded any memorandum, writing, entry, print, representation or combination thereof, of any act, transaction, occurrence or event, and in the regular course of business has caused any or all of the same to be recorded, copied or reproduced by any photographic, photostatic, microfilm, microcard, miniature photographic, optical disk imaging, or other process which accurately reproduces or forms a durable medium for so reproducing the original, the original may be destroyed in the regular course of business unless held in a custodial or fiduciary capacity or unless its preservation is required by law. Such reproduction, when satisfactorily identified, is as admissible in evidence as the original itself in any judicial or administrative proceeding whether the original is in existence or not and an enlargement or facsimile of such reproduction is likewise admissible in evidence if the original reproduction is in existence and available for inspection under direction of court. The introduction of a reproduced record, enlargement or facsimile, does not preclude admission of the original.

## Sec. 18. [REPEALER.]

Minnesota Statutes 1988, section 15.38, is repealed.

Delete the title and insert:

“A bill for an act relating to state government; regulating markings on state vehicles; eliminating the requirement that certain reports of occupational licensing boards be summarized; eliminating certain prohibitions against state purchase of insurance; regulating state sale of goods and services; regulating certain small business assistance programs; clarifying responsibility for the operation and maintenance of certain buildings; establishing a state telecommunications access routing system; regulating government record keeping; prescribing compensation for certain board members; amending Minnesota Statutes 1988, sections 15.0575, subdivision 3; 15.16; 15.17, subdivision 1; 15.39, subdivision 1; 16A.85, subdivision 2; 16B.06, subdivision 4; 16B.19, subdivision 6; 16B.20, subdivision 2; 16B.22, subdivision 1; 16B.24, subdivision 1; 16B.48; 16B.54, subdivision 2; 138.17, subdivision 1; 214.07, subdivision 2; 214.09, subdivision 3; and 600.135, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 16B; repealing Minnesota Statutes 1988, section 15.38.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Skoglund from the Committee on Insurance to which was referred:

H. F. No. 269, A bill for an act relating to insurance; no-fault auto; clarifying eligibility for economic loss benefits; amending Minnesota Statutes 1988, sections 65B.51, subdivision 2; and 65B.64, subdivisions 2 and 3.

Reported the same back with the following amendments:

Page 2, delete section 3 and insert:

“Sec. 3. Minnesota Statutes 1988, section 65B.64, subdivision 3, is amended to read:

Subd. 3. A person shall not be entitled to basic economic loss benefits through the assigned claims plan with respect to injury which was sustained if at the time of such injury the injured person was the owner of a private passenger motor vehicle for which security is required under sections 65B.41 to 65B.71 and that person failed to have such security in effect. ~~Members of the owner's~~

household Persons, whether or not related by blood or marriage, who dwell and function together with the owner as a family, other than adults who have been adjudicated as incompetent and minor children, shall also be disqualified from benefits through the assigned claims plan.

With the recommendation that when so amended the bill pass.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 403, A bill for an act relating to human services; giving subpoena power to the ombudsman for mental health and retardation; requiring reporting of death or serious injury; amending Minnesota Statutes 1988, sections 245.91, by adding a subdivision; and 245.94, subdivision 1, and by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 24, after "foreign" insert "substances and"

Page 1, line 24, delete "a physician" and insert "are"

Page 1, line 25, delete "considers"

Page 1, line 26, delete "and"

Page 1, after line 26, insert:

"(12) heat exhaustion or sunstroke; and"

Page 2, line 1, delete "(12)" and insert "(13)"

Page 2, line 34, after "witness" insert "who is"

Page 2, line 34, delete "before" and insert "is part of"

Page 2, line 36, after the period insert "Data obtained from a person under this paragraph are private data as defined in section 13.02, subdivision 12."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 417, A bill for an act relating to solid waste; establishing plans and programs to reduce waste generated, recycle waste, develop markets for recyclables, address materials that cause special problems in the waste stream, prevent, control, and abate litter, inform and educate the public on proper waste management; appropriating money; amending Minnesota Statutes 1988, sections 18B.01, by adding a subdivision; 115A.03, by adding subdivisions; 115A.072; 115A.12, subdivision 1; 115A.15, subdivision 5, and by adding subdivisions; 115A.46, subdivision 2, and by adding a subdivision; 115A.48, subdivision 3, and by adding subdivisions; 115A.96, subdivision 2, and by adding a subdivision; 116.07, by adding a subdivision; 116K.04, by adding a subdivision; 275.51, subdivision 1; 297A.01, subdivision 3; 297A.44, subdivision 1; 325E.115, subdivision 1; 400.08, by adding a subdivision; 473.149, subdivision 1; and 473.803, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 18B; 115A; 116C; 116J; 173; 297A; and 473.

Reported the same back with the following amendments:

Page 9, line 23, delete "9" and insert "10"

Page 11, after line 20, insert:

"Sec. 9. [121.938] [DISTRICTS TO RECYCLE PAPER.]

Subdivision 1. [DEFINITION.] For the purposes of this section, "recycle" has the meaning given it in section 115A.03, subdivision 25b.

Subd. 2. [RECYCLING REQUIRED.] The state board of education shall require all public school districts to recycle paper used by the districts. The board may exempt from its requirement to recycle any district that the board determines will spend more money to recycle paper than will be saved by recycling."

Renumber the remaining sections

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Education.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 445, A bill for an act relating to alcoholic beverages;

requiring registration numbers on kegs and barrels of beer and records of their sale; increasing penalties for selling or furnishing alcoholic beverages to a minor under certain circumstances; amending Minnesota Statutes 1988, sections 340A.701; and 340A.702; proposing coding for new law in Minnesota Statutes, chapter 340A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 340A.701, is amended to read:

340A.701 [FELONIES.]

Subdivision 1. [UNLAWFUL ACTS.] It is a felony:

- (1) to manufacture alcoholic beverages in violation of this chapter;
- (2) to transport or import alcoholic beverages into the state in violation of this chapter for purposes of resale; or
- (3) to sell or give away for beverage purposes poisonous alcohol, methyl alcohol, denatured alcohol, denaturing material, or any other alcoholic substance capable of causing serious physical or mental injuries to a person consuming it; or
- (4) for a person other than a licensed retailer of alcoholic beverages, a bottle club permit holder, a municipal liquor store, or an employee or agent of any of these who is acting within the scope of employment, to violate the provisions of section 340A.503, subdivision 2, clause (1), if the underage recipient of the alcoholic beverage becomes intoxicated and causes or suffers death or great bodily harm as a result of the intoxication.

Subd. 2. [PRESUMPTIVE SENTENCE.] In determining an appropriate disposition for a violation of subdivision 1, clause (4), the court shall presume that a stay of execution with a 90-day period of incarceration as a condition of probation shall be imposed unless the defendant's criminal history score determined according to the sentencing guidelines indicates a presumptive executed sentence, in which case the presumptive executed sentence shall be imposed unless the court departs from the sentencing guidelines under section 244.10. A stay of imposition of sentence may be granted only if accompanied by a statement on the record of the reasons for it.

Sec. 2. Minnesota Statutes 1988, section 340A.702, is amended to read:

340A.702 [GROSS MISDEMEANORS.]

It is a gross misdemeanor:

(1) to sell an alcoholic beverage without a license authorizing the sale;

(2) for a licensee to refuse or neglect to obey a lawful direction or order of the commissioner or the commissioner's agent, withhold information or a document the commissioner calls for examination, obstruct or mislead the commissioner in the execution of the commissioner's duties or swear falsely under oath;

(3) to violate the provisions of sections 340A.301 to 340A.313;

(4) to violate the provisions of section 340A.508;

(5) for any person, partnership, or corporation to knowingly have or possess direct or indirect interest in more than one off-sale intoxicating liquor license in a municipality in violation of section 340A.412, subdivision 3;

(6) to sell or otherwise dispose of intoxicating liquor within 1,000 feet of a state hospital, training school, reformatory, prison, or other institution under the supervision and control, in whole or in part, of the commissioner of human services or the commissioner of corrections;

(7) to violate the provisions of section 340A.502;

(8) except as otherwise provided in section 340A.701, to violate the provisions of section 340A.503, subdivision 2, clause (1) or (3);

(9) to withhold any information, book, paper, or other thing called for by the commissioner for the purpose of an examination;

(10) to obstruct or mislead the commissioner in the execution of the commissioner's duties; or

(11) to swear falsely concerning any matter stated under oath.

Sec. 3. Minnesota Statutes 1988, section 624.701, is amended to read:

624.701 [LIQUORS IN CERTAIN BUILDINGS OR GROUNDS.]

Subdivision 1. Except as otherwise provided in subdivision 1a, any person who ~~shall introduce upon, or have in possession upon, or in,~~ introduces or possesses an alcoholic beverage, as defined in section 340A.101, on any school ground, or in any schoolhouse or school building, any alcoholic beverage as defined in section 340A.101, except for is guilty of a misdemeanor.

Subd. 1a. [EXCEPTIONS.] Subdivision 1 does not apply to the following:

- (1) experiments in laboratories and except for;
- (2) those organizations who have been issued temporary licenses to sell nonintoxicating malt liquor pursuant to section 340A.403, subdivision 2; and;
- (3) any person possessing nonintoxicating malt liquor as a result of a purchase from those organizations holding temporary licenses pursuant to section 340A.403, subdivision 2; shall be guilty of a misdemeanor; or
- (4) the possession or use of alcoholic beverages in an alcohol use awareness program that is held at a post-secondary school, sponsored or approved by the school, and limited to persons 21 years old or older.

Subd. 2. Any person who except by prescription of a licensed physician or permission of the hospital administrator shall introduce upon, or have in possession upon, or in, any state hospital or grounds thereof under the responsibility of the commissioner of human services any alcoholic beverage as defined in section 340A.101, shall be guilty of a misdemeanor.

#### Sec. 4. [EFFECTIVE DATE.]

Sections 1 and 2 are effective August 1, 1989, and apply to crimes committed on or after that date. Section 3 is effective August 1, 1989."

Delete the title and insert:

"A bill for an act relating to alcoholic beverages; increasing penalties for selling or furnishing alcohol to a minor under certain circumstances; permitting the possession and use of alcoholic beverages on post-secondary school grounds within a school-sponsored alcohol awareness program; amending Minnesota Statutes 1988, sections 340A.701; 340A.702; and 624.701."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 511, A bill for an act relating to consumer protection;

requiring certain creditors to file credit card disclosure reports with the state treasurer; providing rulemaking authority; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 325G.

Reported the same back with the following amendments:

Page 1, line 13, delete "section 325G.42" and insert "the federal Fair Credit and Charge Card Disclosure Act of 1988"

Page 1, line 25, delete "\$5,000 is" and insert "\$40,000 in fiscal year 1990 and \$40,000 in fiscal year 1991 are"

Page 2, line 2, after the period insert "The complement of the state treasurer is increased by 1.0 professional position."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 523, A bill for an act relating to local government; regulating the development, imposition, and management of state mandates upon local political subdivisions; amending Minnesota Statutes 1988, section 3.981, subdivision 2, 8, and by adding subdivisions; 3.982; 3.983, subdivision 3; 14.11, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 3 and 14; repealing Minnesota Statutes 1988, section 3.981, subdivisions 4, 5, and 9.

Reported the same back with the following amendments:

Page 6, line 9, after "action" insert "or rule" and after "law" insert "or rule"

Pages 8 and 9, delete section 8 and insert:

"Sec. 8. Minnesota Statutes 1988, section 14.11, subdivision 1, is amended to read:

Subdivision 1. [FISCAL NOTE ON RULE IN NOTICE.] If the adoption of a rule by an agency after December 31, 1990, will require the expenditure of more than \$ ..... of local public money by local public bodies in the two years immediately following the adoption of the rule, the appropriate notice of the agency's intent to adopt a rule shall be accompanied by a written statement giving

the agency's reasonable estimate of the total cost to all local public bodies in the state to implement the rule for the two years immediately following adoption of the rule if the estimated total cost exceeds \$100,000 in either of the two years. the agency shall submit the proposed rule to the division of state and local mandates. The division has 60 days from the date of receipt of the proposed rule to prepare a fiscal note on the rule. The notice of the agency's intent to adopt the rule must include an announcement that a free copy of the division's fiscal note is available on request from the agency. If the division fails to produce a fiscal note within 60 days from the date of receipt of the proposed rule, the agency may give notice of its intent to adopt the rule without having received the division's report, and its notice of intent to adopt the rule shall contain a statement giving the agency's reasonable estimate of the total cost to local public bodies to implement the rule for the two years immediately following adoption of the rule. The requirements of this subdivision do not apply to emergency rules or to rules exempt from fiscal note requirements under section 3.983, subdivision 3. For purposes of this subdivision, local public bodies shall mean officers and governing bodies of the political subdivisions of the state and other officers and bodies of less than statewide jurisdiction which have the authority to levy taxes.

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 534, A bill for an act relating to groundwater; establishing best management practices and water resources protection requirements; regulating pollution limits; changing various requirements and procedures concerning fertilizer, soil amendments, and plant amendments; requiring a study of sustainable agriculture; changing certain pesticide laws; requiring a pesticide management plan; providing for responses to pesticide and fertilizer incidents; establishing a safe drinking water account; imposing an annual fee; reorganizing and revising laws on water wells, exploratory boring, and elevator shafts; establishing a water information committee; providing for local water resources protection and management; establishing water appropriation priorities; establishing a legislative commission on water; appropriating money; amending Minnesota Statutes 1988, sections 17.713; 17.714, subdivision 1, and by adding a subdivision; 17.715, subdivisions 1, 4, and by adding subdivisions; 17.7155; 17.716, subdivisions 1 and 2; 17.717; 17.718; 17.719, subdivisions 1, 2, 3, 4, and by adding subdivisions; 17.721, by adding a subdivision; 17.725, subdivision 2, and by adding subdivisions; 17.728, by adding subdivisions; 17.7285; 17.73, subdivision 3;

18B.01, subdivisions 12, 21, 23, 26, 31, and by adding subdivisions; 18B.04; 18B.07, subdivisions 4, 5, 6, and 7; 18B.08, subdivisions 1 and 4; 18B.15; 18B.17, subdivision 2; 18B.18; 18B.21; 18B.25, by adding a subdivision; 18B.26, subdivisions 1, 3, and by adding a subdivision; 18B.31, subdivisions 3 and 5; 18B.32, subdivision 2; 18B.33, subdivisions 3 and 7; 18B.34, subdivisions 2 and 5; 18B.36; 18B.37, subdivisions 1, 2, and 3; 105.41, subdivision 1a; 105.418; 116C.41, subdivision 1; 116E.03, subdivision 9; 156A.01; 156A.02; 156A.03; 156A.05; 156A.06; 156A.071; 156A.075; and 156A.08; proposing coding for new law as Minnesota Statutes, chapters 110C and 115D; proposing coding for new law in Minnesota Statutes, chapters 3; 17; 18B; 115; 116C; 116E; 144; and 156A; repealing Minnesota Statutes 1988, sections 17.714, subdivisions 4, 4a, and 4b; 17.721; 17.726; 17.727; 17.728, subdivisions 4 and 5; 17.729; 18B.16; 18B.19; 156A.02, subdivision 3; 156A.03, subdivision 1; 156A.04; 156A.07; 156A.10; and 156A.11.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

#### “ARTICLE 1

#### PROTECTION OF GROUNDWATER

##### Section 1. [115D.01] [GOAL; PREVENTION OF GROUND-WATER DEGRADATION.]

It is the goal of the state that groundwater be maintained in its natural condition, free from any degradation caused by human activities. It is recognized that for some human activities this nondegradation goal cannot be practicably achieved. However, where prevention is practicable, it is intended that it be achieved. Where it is not currently practicable, the development of methods and technology that will make prevention practicable is encouraged. The prevention and cleanup of groundwater pollution is crucial to the public health and welfare and the environment of the state because:

(1) Minnesota's high quality groundwater is a precious natural resource upon which Minnesotans depend for many uses, including drinking water and agricultural and industrial uses;

(2) this resource is currently being threatened by pollution from a variety of land and water uses, including domestic, agricultural, and industrial uses;

(3) groundwater of the state is contained in a series of related and often interconnected aquifers, and pollutants entering the ground-water may spread both horizontally and vertically and may enter and impair surface waters;

(4) once groundwater becomes polluted, it is extremely difficult and at times impossible to return it to its natural state;

(5) consumption of polluted groundwater can result in significant health impacts, even at relatively low concentrations; and

(6) groundwater must be protected for consumption and other uses by future generations.

Sec. 2. [115D.02] [DEFINITIONS.]

Subdivision 1. [APPLICABLE DEFINITIONS.] The definitions provided in this section apply to terms used in sections 1 to 7, unless the context requires otherwise. The definitions provided in section 115.01 apply to terms used in sections 1 to 7, unless a different definition is provided in this section or the context requires otherwise.

Subd. 2. [BEST MANAGEMENT PRACTICES.] "Best management practices" means those practices that are most capable of preventing, reducing, minimizing, or eliminating the pollution of the waters of the state, and are most practicable, considering availability, economic factors, effectiveness, environmental impacts, ability to be implemented, and technical feasibility. Best management practices apply to, but are not limited to, schedules of activities, operation procedures, practices, techniques, maintenance procedures, application and use of chemicals, drainage from raw material storage, treatment requirements, and other activities that may cause or contribute to water pollution.

Subd. 3. [PERSON.] "Person" means a human being; a municipality or other governmental or political subdivision; a public agency; a public or private corporation; a partnership, firm, association, or other organization; a receiver, trustee, assignee, agent, or other legal representative of any of the foregoing; or any other legal entity.

Subd. 4. [REGULATING AUTHORITY.] "Regulating authority" means a state agency, political subdivision, special purpose district, or other governmental unit with legal authority to adopt and enforce water resources protection requirements.

Subd. 5. [WATER RESOURCES PROTECTION REQUIREMENTS.] "Water resources protection requirements" means requirements intended to prevent, reduce, minimize, or eliminate pollution of the waters of the state that are enforceable under law, ordinance, permit, license, or order. Water resources protection requirements include: design criteria, guidance, or requirements; standards; operation and maintenance procedures; practices to

control releases, spills, leaks, and sludge and waste disposal; restrictions on use and practices; and treatment requirements.

Sec. 3. [115D.03] [ADEQUACY OF STATE PROGRAMS.]

Subdivision 1. [PROGRAM REVIEW.] The environmental quality board shall identify those state agency programs that affect activities that may cause or contribute to groundwater pollution. Agencies shall review the identified programs and current management practices according to the following criteria:

(1) consistency with and effectiveness in achieving the goal of section 1, effectiveness in meeting the limits established under section 5, and application of special protective measures in sensitive areas identified under section 7;

(2) enforceability of current water resources protection requirements, and effectiveness of enforcement mechanisms;

(3) sufficiency of staff and funds to match the scope of the problems; and

(4) adequacy of review of individual facilities or practices.

The reviewing agencies shall report their findings to the board by July 1, 1990. The board shall determine the adequacy of groundwater protection efforts from this review. The board shall report its recommendations to the governor and the legislature by November 15, 1990, and at four-year intervals.

Subd. 2. [STATE AGENCIES.] Each state agency that has a program identified pursuant to subdivision 1 shall adopt water resources protection requirements or identify and develop best management practices to ensure that the program is consistent with and is effective in achieving the goal of section 1 and is effective in meeting the limits established under section 5. For those activities which may cause or contribute to pollution of groundwater, but are not directly regulated by the state, best management practices shall be promoted through education, support programs, incentives, and other mechanisms.

Subd. 3. [DEPARTMENT OF AGRICULTURE.] The department of agriculture shall adopt water resources protection requirements and identify and develop best management practices for the distribution, storage, and use of pesticides and fertilizers, except as otherwise provided in law.

Sec. 4. [115D.04] [DUTY TO PREVENT POLLUTION.]

Persons whose activity may cause or contribute to pollution of

groundwater shall use all practicable means of preventing the pollution.

Sec. 5. [115D.05] [HEALTH AND POLLUTION LIMITS.]

Subdivision 1. [DEPARTMENT OF HEALTH.] (a) The department of health shall adopt rules specifying procedures and criteria for establishing and periodically revising a list of health risk limits for drinking water. The rules shall require the limits to be set at levels such that there is no significant long-term risk to human health from using that water, considering prudent margins of safety and complicating effects due to the presence of multiple pollutants or breakdown products. The rules shall provide for the establishment of temporary emergency limits that are not subject to paragraph (b).

(b) After rules are adopted under paragraph (a), the department shall establish a list of health risk limits in accordance with the rules and the procedures provided in this paragraph. The establishment of the list is exempt from the requirements of chapter 14. The department shall reevaluate each limit at least every four years after it has been established. Before a list of health risk limits is established or revised, the department shall:

(1) publish in the State Register notice of its intent to establish or revise health risk limits for specific substances and shall solicit information on the health impacts of those substances;

(2) publish a proposed list of health risk limits in the State Register allowing 60 days for public comment; and

(3) publish the final list of health risk limits in the State Register and, at the same time, make available a summary of the public comments received and the department's responses to the comments.

(c) A limit established by the department under paragraph (b) may be challenged in the manner provided in sections 14.44 and 14.45, except that the court may declare a limit invalid only if it finds that the limit was not established in accordance with the rules adopted under paragraph (a) or the procedures provided in paragraph (b) or that the limit is arbitrary or capricious.

Subd. 2. [POLLUTION CONTROL AGENCY.] The pollution control agency shall adopt rules establishing numerical groundwater pollution limits. The rules shall:

(1) use the department of health's health risk limits as the measure of health risk;

(2) provide for the establishment of more protective limits where groundwater interactions with surface water may otherwise result in impairment of surface water quality;

(3) not preclude regulating authorities from adopting more stringent requirements for facilities or practices to further minimize pollution consistent with section 1, where it is practicable; and

(4) provide standards for measuring the adequacy of state agency programs under section 3 and guiding the actions of regulating authorities under section 6.

Sec. 6. [115D.06] [ACTIONS BY REGULATING AUTHORITIES.]

Subdivision 1. [GROUNDWATER POLLUTION NOT IN EXCESS OF LIMITS.] If groundwater pollution has occurred, but does not exceed the limits established under section 5, the regulating authority may take appropriate actions consistent with the goal of section 1 and the limits established under section 5.

Subd. 2. [GROUNDWATER POLLUTION IN EXCESS OF LIMITS.] If groundwater pollution exceeds or is likely to exceed limits established under section 5, the regulating authority shall take appropriate actions consistent with the goal of section 1 and the limits established under section 5.

Subd. 3. [APPROPRIATE ACTIONS.] For the purpose of this section, "appropriate actions" include actions to confirm detection and investigate possible sources, investigate the extent of groundwater pollution, conduct informational or educational efforts in the affected areas, require implementation of management practices, develop more protective water resources protection requirements, require changes in monitoring, restrict or modify the activity or use in question, or require or provide groundwater remediation or containment. Nothing in this section shall be interpreted to confer any authority to adopt water resources protection requirements upon any state agency, political subdivision, special purpose district, or other local governmental unit beyond the authority conferred by other law.

Subd. 4. [NITROGEN COMPOUNDS IN GROUNDWATER.] The pollution control agency and the department of agriculture, in consultation with the board of water and soil resources and Minnesota agricultural experiment station, shall prepare a report on nitrate and related nitrogen compounds in groundwater. The report shall consider recommendations made by local government in comprehensive local water plans and the program review required in section 3, subdivision 2, use data developed by the Minnesota agricultural experiment station, and shall incorporate the findings of the fertilizer nitrogen task force identified in article 2, section 11. This report shall be submitted to the environmental quality board

by July 1, 1991. The board shall provide recommendations to the legislature by November 15, 1991, based upon this report.

The report shall be based on existing information and shall examine areas in which improvements in the state and local response to this problem are feasible. The report shall address, but not be limited to, the following issues: the determination of trends in nitrogen pollution; causative factors; the development of recommended best management practices to reduce or minimize pollution; regulatory controls; the feasibility of proposed treatment and corrective or mitigative measures; and the economic impacts of proposed corrective measures.

Sec. 7. [115D.07] [PROTECTION OF SENSITIVE AREAS.]

Subdivision 1. [DEFINITIONS.] (a) "Sensitive area" or "sensitive groundwater area" means a geographic area defined by natural features where the groundwater is at significant risk of contamination from activities conducted at or near the land surface.

(b) "Special protective measures" means any of a combination of measures which are undertaken in sensitive areas to meet the goal of section 1 and the limits established under section 5.

Subd. 2. [CRITERIA FOR DETERMINATION OF SENSITIVE AREAS.] The environmental quality board shall, after consultation with representatives of local government, adopt a list of specific criteria for identifying sensitive groundwater areas, establish procedures for applying the criteria and for applying special protective measures in such areas, by September 30, 1991.

Subd. 3. [INFORMATION GATHERING.] State agencies shall incorporate these criteria and special protective measures into their programs. The environmental quality board is responsible for coordinating state and state-funded local information gathering efforts pursuant to the identification of sensitive groundwater areas. Information shall be collected and automated in accordance with article 6, section 6.

Sec. 8. [115D.08] [EFFECT ON OTHER LAW.]

Sections 1 to 7 do not limit any person's cause of action under chapter 116B; restrict the authority that a state agency or a local unit of government may have from any other law; or create new enforcement authority. Sections 1 to 7 are intended to provide direction for the implementation of existing regulatory programs.

## ARTICLE 2

## FERTILIZER, SOIL AMENDMENT, AND PLANT AMENDMENT

## Section 1. [17.7121] [POWERS AND DUTIES OF COMMISSIONER.]

Subdivision 1. [ADMINISTRATION BY COMMISSIONER.] The commissioner shall administer, implement, and enforce this chapter and the department of agriculture is the lead state agency for the regulation of fertilizer, including, but not limited to, its storage, handling, distribution, use, and disposal.

Subd. 2. [DELEGATION OF DUTIES.] The commissioner's duties under this chapter may be delegated to designated employees or agents of the department of agriculture.

Subd. 3. [DELEGATION TO APPROVED AGENCIES.] The commissioner may, by written agreements, delegate specific inspection, enforcement, and other regulatory duties of this chapter to officials of approved agencies.

## Sec. 2. [17.7122] [POLICY; RULES.]

It is the policy of this state to seek to achieve and maintain uniformity with national standards and with other states, insofar as possible, of regulation and control of the manufacture, distribution, and sale of fertilizer in this state.

Sec. 3. Minnesota Statutes 1988, section 17.713, is amended to read:

## 17.713 [DEFINITIONS.]

Subdivision 1. [GENERALLY.] When used in sections 17.711 to 17.729 the terms defined in this section have the meanings given them.

Subd. 1a. [APPROVED AGENCY.] "Approved agency" means a state agency other than the department of agriculture or an agency of a county, home rule charter or statutory city, town, or other political subdivision that has signed a joint powers agreement under section 471.59 with the commissioner.

Subd. 1b. [BEST MANAGEMENT PRACTICES.] "Best management practices" has the meaning given to it in article 1, section 2, subdivision 1.

Subd. 1c. [WATER RESOURCES PROTECTION REQUIREMENTS.] "Water resources protection requirements" has the meaning given to it in article 1, section 2, subdivision 5.

Subd. 2. [BRAND.] "Brand" means a term, design, or trademark used in connection with one or several grades of commercial fertilizers or with soil and plant amendment materials.

Subd. 3. [BULK FERTILIZER.] "Bulk fertilizer" means any commercial fertilizer material distributed in a nonpackaged form.

Subd. 3a. [CHEMIGATION.] "Chemigation" means a process of applying fertilizers to land or crops including, but not limited to, agricultural, nursery, turf, golf course, or greenhouse sites in or with irrigation water during the irrigation process.

Subd. 4. [COMMERCIAL FERTILIZER.] "Commercial fertilizer" includes those sold which are both mixed fertilizer or fertilizer materials.

Subd. 4a. [COMMISSIONER.] "Commissioner" means the commissioner of agriculture or a designee.

Subd. 4b. [COMPOST.] "Compost" is a material derived primarily or entirely from biological decomposition of vegetative organic matter or animal manure to which no inorganic fertilizer materials have been added other than to promote decomposition.

Subd. 4c. [CORRECTIVE ACTION.] Correction action means an action taken to minimize, eliminate, or clean up an incident.

Subd. 4d. [CUSTOM APPLY.] "Custom apply" means to apply a commercial fertilizer, soil amendment, or plant amendment product for hire.

Subd. 4e. [DEFICIENCY.] "Deficiency" means that amount of nutrient found by analysis less than that guaranteed which may result from a lack of nutrient ingredients or from lack of uniformity.

Subd. 5. [DISTRIBUTOR.] "Distributor" means any person who imports, consigns, manufactures, produces, compounds, mixes, or blends commercial fertilizer, or who offers for sale, sells, barter, or otherwise supplies commercial fertilizer or soil and plant amendments in this state.

Subd. 5a. [ENVIRONMENT.] "Environment" means surface water, ground water, air, land, plants, humans, and animals and their interrelationships.

Subd. 5b. [FERTILIZER.] "Fertilizer" means a substance containing one or more recognized plant nutrients that is used for its plant nutrient content and designed for use or claimed to have value in promoting plant growth, except unmanipulated animal and vegetable manures, marl, lime, limestone, wood ashes, and other products exempted by rule by the commissioner.

Subd. 6. [FERTILIZER MATERIAL.] "Fertilizer material" means any substance containing nitrogen, phosphorus, potassium or any recognized plant food nutrient, or any compound which is used primarily for its plant nutrient content or for compounding mixed fertilizers except unmanipulated animal and vegetable manures: a fertilizer that:

(1) contains important quantities of no more than one of the primary plant nutrients: nitrogen (N), phosphorus (P), and potassium (K);

(2) has 85 percent or more of its plant nutrient content present in the form of a single chemical compound; or

(3) is derived from a plant or animal residue or by-product or natural material deposit processed in such a way that its content of plant nutrients has not been materially changed except by purification and concentration.

Subd. 6a. [FIXED LOCATION.] "Fixed location" means all stationary fertilizer facility operations, owned and or operated by a person, located in the same plant location or locality.

Subd. 7. [GRADE.] "Grade" means the percentage of total nitrogen (N), available phosphorus (P) or phosphoric acid (P<sub>2</sub>O<sub>5</sub>), and soluble potassium (K) or soluble potash (K<sub>2</sub>O) stated in whole numbers in the same terms, order, and percentages as in the guaranteed analysis; provided, however, that fertilizer materials, bone meals, manures, and similar raw materials may be guaranteed in fractional units, and specialty fertilizers may be guaranteed in fractional units of less than one percent of total nitrogen, available phosphorus or phosphoric acid, and soluble potassium or soluble potash.

Subd. 8. [GUARANTEED ANALYSIS.] "Guaranteed analysis": (1) Until the commissioner prescribes the alternative form of "guaranteed analysis" in accordance with the provisions of paragraph 2 of this subdivision, the term "guaranteed analysis" shall mean the percentage of plant nutrient content, if claimed, in the following order:

(a) Total nitrogen ( <u>N</u> )	....percent
Available phosphoric acid ( <u>P2O5</u> )	....percent
Soluble potash ( <u>K2O</u> )	....percent

(b) For unacidulated mineral phosphatic materials and basic slag, bone, tankage, and other organic phosphate materials, the total phosphoric acid or degree of fineness, or both, may also be guaranteed.

(c) Guarantees for plant nutrients other than nitrogen, phosphorus and potassium may be permitted or required by rule of the commissioner. The guarantees for such other nutrients shall be expressed in the elemental form. The sources of such other elements, oxides, salt, and chelates, may be required to be stated on the application for registration and may be included as a parenthetical statement on the label. Other beneficial substances or compounds, determinable by laboratory methods, also may be guaranteed by permission of the commissioner and with the advice of the director of the agricultural experiment station. When any plant nutrients or other substances or compounds are guaranteed, they shall be subject to inspection and analyses in accord with the methods and rules prescribed by the commissioner.

(d) Potential basicity or acidity expressed in terms of calcium carbonate equivalent in multiples of 100 pounds per ton, when required by rule.

(2) When the commissioner finds, after public hearing following due notice, that the requirement for expressing the guaranteed analysis of phosphorus and potassium in elemental form would not impose an economic hardship on distributors and users of fertilizer by reason of conflicting labeling requirements among the states, the commissioner may require thereafter that the "guaranteed analysis" shall be in the following form:

Total nitrogen ( <u>N</u> )	....percent
Available phosphorus ( <u>P</u> )	....percent
Soluble potassium ( <u>K</u> )	....percent

The effective date of said rule shall be not less than one year following the issuance thereof, and provided, further, that for a period of two years following the effective date of said rule the equivalent of phosphorus and potassium may also be shown in the form of phosphoric acid and potash. After the effective date of a rule issued under the provisions of this section, requiring that phosphorus and potassium be shown in the elemental form, the guaranteed analysis for nitrogen, phosphorus, and potassium shall constitute the grade.

(3) "Guaranteed analysis" of a soil amendment or plant amend-

ment shall mean an accurate statement of composition including the percentages of each ingredient. If the product is a microbiological product, the number of viable microorganisms per milliliter for a liquid or the number of viable microorganisms per gram for a dry product must also be listed.

Subd. 9. [GUARANTOR.] "Guarantor" means the person who is guaranteeing the material to be as stated in the guaranteed analysis statement.

Subd. 9a. [HAZARDOUS WASTE.] "Hazardous waste" means a substance identified or listed as hazardous waste in the rules adopted under section 116.07, subdivision 4.

Subd. 9b. [INCIDENT.] "Incident" means a flood, fire, tornado, transportation accident, storage container rupture, leak, spill, emission, discharge, escape, leach, disposal, or other event that releases or immediately threatens to release a fertilizer, soil amendment, or plant amendment accidentally or otherwise into the environment, and may cause unreasonable adverse effects on the environment.

Subd. 9c. [INVESTIGATIONAL ALLOWANCE.] "Investigational allowance" means an allowance for variations inherent in the taking, preparation, and analysis of an official sample of fertilizer.

Subd. 9a- 9d. [LABEL.] "Label" means the display of all written, printed or graphic matter upon the immediate container or the statement accompanying a commercial fertilizer, soil amendment or plant amendment.

Subd. 9b- 9e. [LABELING.] "Labeling" means all written, printed or graphic matter upon or accompanying any commercial fertilizer, soil amendment or plant amendment or advertisements, brochures, posters, television, radio or other announcements used in promoting their sale.

Subd. 9e- 9f. [MANIPULATED MANURES.] "Manipulated manures" means substances composed primarily of excreta, plant remains, or mixtures or substances which have been treated in any manner, including mechanical drying, grinding, pelleting and other means, or by adding other chemicals or substances.

Subd. 10. [MIXED FERTILIZER.] "Mixed fertilizer" means any combination or mixture of fertilizer material designed for use or claimed to have value in promoting plant growth, with or without inert materials.

Subd. 11. [MOBILE MECHANICAL UNIT.] "Mobile mechanical unit" means any portable machine or apparatus used to blend, mix, or manufacture fertilizer materials.

Subd. 12. [OFFICIAL SAMPLE.] "Official sample" means any sample of commercial fertilizer, soil amendment or plant amendment taken by the commissioner according to methods prescribed by sections 17.711 to 17.729.

Subd. 13. [ORGANIC.] "Organic" when applied to fertilizer nutrients refers only to naturally occurring substances generally recognized as the hydrogen compounds of carbon and their derivatives or synthetic products of similar composition whose water insoluble nitrogen content is at least 60 percent of the total nitrogen guaranteed.

Subd. 13a. [OWNER OF REAL PROPERTY.] "Owner of real property" means a person who is in possession of, has the right of control, or controls the use of real property, including without limitation a person who may be a fee owner, lessee, renter, tenant, lessor, contract for deed vendee, licensor, licensee, or occupant.

Subd. 14. [PERCENT; PERCENTAGE.] "Percent" or "percentage" means the percentage by weight.

Subd. 15. [PERSON.] "Person" includes individuals, partnerships, associations, firms, corporations, companies, and societies; means an individual, firm, corporation, partnership, association, trust, joint stock company, or unincorporated organization, the state, a state agency, or a political subdivision.

Subd. 15a. [PLANT AMENDMENT.] "Plant amendment" means any substance applied to plants or seeds which is intended to improve germination, growth, yield, product quality, reproduction, flavor, or other desirable characteristics of plants except commercial fertilizers, soil amendments, agricultural liming materials, animal and vegetable manures, pesticides, and other materials which may be exempted by rule.

Subd. 15b. [PLANT FOOD.] "Plant food" means any one of the following plant nutrients or any additional plant nutrient which might be generally recognized as beneficial for plant growth: nitrogen, phosphorus, potassium, calcium, magnesium, sulfur, boron, chlorine, cobalt, copper, iron, manganese, molybdenum, sodium and zinc.

Subd. 16. [REGISTRANT.] "Registrant" means the person who registers commercial fertilizer material, soil amendment or plant amendment under the provisions of sections 17.711 to 17.729.

Subd. 16a. [RESPONSIBLE PARTY.] "Responsible party" means a person who at the time of an incident has custody of, control of, or responsibility for a fertilizer, fertilizer container, or fertilizer rinse.

Subd. 16b. [RETAIL FERTILIZER HANDLER.] "Retail fertilizer handler" means a person who sells a commercial fertilizer in a packaged container produced or guaranteed by another person.

Subd. 16c. [RINSATE.] "Rinsate" means a dilute mixture of a fertilizer or fertilizer with water, solvents, oils, commercial rinsing agents, or other substances.

Subd. 16d. [SAFEGUARD.] "Safeguard" means a facility, equipment, device, or system, or a combination of these, as required by rule, designed to prevent an incident.

Subd. 17. [SELL.] "Sell," when applied to commercial fertilizer, soil amendment, or plant amendment, includes:

- (1) The act of selling, transferring ownership;
- (2) The offering and exposing for sale, exchange, distribution, giving away, and transportation in, and into, this state;
- (3) The possession with intent to sell, exchange, distribute, give away or transport in, and into, this state;
- (4) The storing, carrying and handling in aid of traffic therein, whether done in person or through an agent, employee or others; and
- (5) Receiving, accepting, and holding of consignment for sale.

Subd. 17a. [SEWAGE SLUDGE.] "Sewage sludge" means the solids and associated liquids in municipal wastewater which are encountered and concentrated by a municipal wastewater treatment plant. Sewage sludge does not include incinerator residues and grit, scum, or screenings removed from other solids during treatment. Sewage sludge is exempt from all requirements of this chapter except the soil amendment labeling requirements of section 17-716 unless the sewage sludge meets the plant food content criteria for a commercial fertilizer in which case the sewage sludge will be considered a commercial fertilizer. A copy of the sewage sludge analysis required by the rules of the pollution control agency adopted under section 116-07, subdivision 4, is sufficient to meet the labeling requirements of section 17.716.

Subd. 17b. [SITE.] "Site" includes land and water areas, air space, and plants, animals, structures, buildings, contrivances, and machinery, whether fixed or mobile, including anything used for transportation.

Subd. 18. [SMALL PACKAGE FERTILIZER.] "Small package

fertilizer" means fertilizer material sold exclusively in packages of 25 pounds or less.

Subd. 19. [SOIL AMENDMENT.] "Soil amendment" means any aggregant or additive or any synthetic organic chemical substances, or chemically or physically modified natural substances, or naturally occurring substance, or manufacturing by products, mixed or unmixed, which are represented as having a primary function of forming or stabilizing soil aggregants in soil to which it is to be applied and thereby improving the resistance of such soil to the slaking action of water, increasing its water and air permeability, improving the resistance of its surface to crusting, improving its ease of cultivation, or otherwise favorably modifying its structural or physical properties: a substance intended to improve the physical characteristics of the soil, except commercial fertilizers, agricultural liming materials, pesticides, and other materials exempted by rules of the commissioner.

Subd. 20. [SPECIALTY FERTILIZER.] "Specialty fertilizer" means any commercial fertilizer labeled and distributed for, but not limited to, the following uses: commercial gardening, greenhouses, nurseries, sod farms, home gardens, house plants, lawns lawn fertilizer not custom applied, shrubs, golf courses, municipal parks, cemeteries, and research or experimental purposes.

Subd. 21. [TON.] "Ton" means a net ton of 2,000 pounds avoirdupois.

Subd. 22. [UNREASONABLE ADVERSE EFFECTS ON THE ENVIRONMENT.] "Unreasonable adverse effects on the environment" means any unreasonable risk to humans or the environment, taking into account the economic, social, and environmental costs and benefits of the use of a fertilizer. Exceeding a state water quality or drinking water standard adopted under sections 115.44 and 144.383, or limit adopted under article 1, section 5, constitutes an unreasonable adverse effect on the environment.

Subd. 23. [WILDLIFE.] "Wildlife" means living things that are not human, domesticated, or pests.

Sec. 4. Minnesota Statutes 1988, section 17.714, subdivision 1, is amended to read:

Subdivision 1. [REGISTRATION FEE; CERTAIN ITEMS.] Fertilizer brands and grades sold only as small package items or represented and labeled as specialty fertilizer; and soil and plant amendments sold with recommendations for commercial agricultural use, shall must be registered and a fee paid pursuant to section 17.717. Fees paid for registration made in this manner shall be in lieu of any other license or tonnage fees.

Sec. 5. Minnesota Statutes 1988, section 17.714, subdivision 3, is amended to read:

Subd. 3. [COPY OF LABEL, LABELING MATERIAL.] Application for registration of a ~~small package fertilizer or a specialty fertilizer or a soil or plant amendment~~ shall be accompanied by:

(a) A label or label facsimile of each product for which registration is requested; and

(b) A copy of all labeling material used in this state for promotion and sale of each product being registered.

Sec. 6. Minnesota Statutes 1988, section 17.714, subdivision 6, is amended to read:

Subd. 6. [MAY NOT SELL WITHOUT REGISTRATION.] No distributor or manufacturer shall sell, offer for sale or distribute in this state any ~~small package fertilizer~~, specialty fertilizer, soil or plant amendment unless it has been registered with the department of agriculture. Registration of such materials is not a warranty by the department or the state.

Sec. 7. Minnesota Statutes 1988, section 17.714, is amended by adding a subdivision to read:

Subd. 7. [EXCEPTION.] Specialty fertilizers custom applied are exempt from the registration requirements of this section.

Sec. 8. [17.7145] [APPLICATION OF REQUIREMENTS TO SEWAGE SLUDGE AND COMPOST.]

Subdivision 1. [PROVISIONS APPLYING TO SEWAGE SLUDGE.] Sewage sludge given away is exempt from all requirements of this chapter except the labeling requirements of this chapter.

Subd. 2. [ANALYSIS MEETS LABELING REQUIREMENTS.] A copy of the sewage sludge analysis required by the rules of the pollution control agency adopted under section 116.07, subdivision 4, is sufficient to meet the labeling requirements.

Subd. 3. [PROVISIONS APPLYING TO COMPOST.] Compost given away is exempt from all requirements of this chapter.

Sec. 9. Minnesota Statutes 1988, section 17.715, subdivision 1, is amended to read:

Subdivision 1. [LICENSED PERSONS.] A person who manufactures, blends, mixes, retails, custom applies, or otherwise manipu-

lates commercial fertilizer material and a person who stores or distributes bulk fertilizer for resale shall obtain a license from the commissioner for from each fixed location where the person does business within the state where these operations are performed.

Sec. 10. Minnesota Statutes 1988, section 17.715, subdivision 4, is amended to read:

Subd. 4. Each license is effective until January 1 next following the date of its issuance or approval. Licenses for retail fertilizer handlers shall be for the period July 1 to June 30 and shall be renewed thereafter by the licensee on or before July 1 of each year. All other licenses shall be for the period January 1 to December 31 and shall be renewed thereafter by the licensee on or before January 1 of each year. A license shall is not be transferable from one person to another, or from the ownership to whom issued to another ownership, or from one location to another location.

Sec. 11. Minnesota Statutes 1988, section 17.715, is amended by adding a subdivision to read:

Subd. 6. [UNLICENSED SALES.] No distributor or manufacturer may sell, offer for sale, or distribute a fertilizer in this state without a license under this chapter unless the person is exempt from the licensing requirements in this chapter.

Sec. 12. Minnesota Statutes 1988, section 17.715, is amended by adding a subdivision to read:

Subd. 7. [COPY OF LABEL AND LABELING MATERIAL.] Application for license must include:

(1) an invoice delivery ticket, label, or label facsimile for each product manufactured or made as required by section 17.716; and

(2) a copy of all labeling material used in this state for promotion of each product manufactured or made.

Sec. 13. [17.7151] [APPLICATION REVIEW.]

Subdivision 1. [SUBSTANTIATION OF CLAIMS.] The commissioner may require a person applying for a license or registration to manufacture or distribute a product for use in Minnesota to submit authentic experimental evidence or university research data to substantiate the claims made for the product. As evidence to substantiate claims, the commissioner may rely on experimental data, evaluations, or advice furnished by experts at the University of Minnesota and may accept or reject additional sources of evidence in evaluating a commercial fertilizer or soil or plant amendment. The experimental evidence must relate to conditions in Minnesota

for which the product is intended. The commissioner may also require evidence of value when used as directed or recommended.

Subd. 2. [INSUFFICIENT EVIDENCE.] If the commissioner determines that the evidence submitted does not substantiate the product's usefulness in this state, the commissioner may require the applicant to submit samples, conduct tests, or submit additional information, including conditions affecting performance, in order to evaluate its performance and usefulness.

Subd. 3. [REFUSAL TO LICENSE OR REGISTER.] The commissioner may refuse to license or register a commercial fertilizer or soil or plant amendment:

(1) if the application for license or registration is not complete;

(2) if the commissioner determines that the commercial fertilizer, soil amendment, plant amendment, or any other additives with substantially the same contents, will not or is not likely to produce the results or effects claimed when used as directed;

(3) if the commissioner determines that the commercial fertilizer, soil amendment, plant amendment, or any other additive with substantially the same contents, is not useful in this state; or

(4) the facility is not safeguarded for bulk storage under section 17.7155 and as required by rule.

Subd. 4. [APPLICATION REVIEW AND REGISTRATION.] After reviewing the application accompanied by the application fee, the commissioner may issue a conditional license or registration to prevent unreasonable adverse effects on the environment or if the commissioner determines that the applicant needs the license or registration to accumulate information necessary to substantiate claims or to correct minor label violations. The commissioner may prescribe terms, conditions, and a limited period of time for the conditional license or registration. After a conditional license or registration is issued, the commissioner may revoke or modify the license or registration if the commissioner finds that its terms or conditions are being violated or are inadequate to avoid unreasonable adverse effects on the environment.

The commissioner may deny issuance of a conditional license or registration if the commissioner determines that issuance of a license or registration is not warranted or that the use to be made of the product under the proposed terms and conditions may cause unreasonable adverse effects on the environment.

Subd. 5. [PROTECTION OF TRADE SECRETS.] (a) In submitting data required by this chapter, the applicant may:

(1) clearly mark any portions that in the applicant's opinion are trade secrets, or commercial, or financial information; and

(2) submit the marked material separately from other material.

(b) After consideration of the applicant's request submitted under paragraph (a), the commissioner shall not make any information public that in the commissioner's judgment contains or relates to trade secrets or to commercial or financial information obtained from an applicant. When necessary, information relating to formulas of products may be revealed to a state or federal agency consulted with similar protection of trade secret authority and may be revealed at a public hearing or in findings of facts issued by the commissioner.

(c) If the commissioner proposes to release information that the applicant or registrant believes to be protected from disclosure under paragraph (b), the commissioner shall notify the applicant or registrant by certified mail. The commissioner shall not make the information available for inspection until 30 days after receipt of the notice by the applicant or registrant. During this period, the applicant or registrant may institute an action in an appropriate court for a declaratory judgment as to whether the information is subject to protection under this section.

#### Sec. 14. [17.7153] [FERTILIZER PRACTICES.]

The commissioner shall:

(1) establish best management practices and water resources protection requirements involving fertilizer use, distribution, storage, handling, and disposal;

(2) cooperate with other state agencies and local governments to protect public health and the environment from harmful exposure to fertilizer; and

(3) appoint a task force to study the effects and impact on water resources from nitrogen fertilizer use so that best management practices, a fertilizer management plan, and nitrogen fertilizer use regulations can be developed. The task force must include farmers, representatives from farm organizations, the fertilizer industry, University of Minnesota, environmental groups, representatives of local government involved with comprehensive local water planning, and other state agencies, including the Minnesota pollution control agency, the Minnesota department of health, the Minnesota department of natural resources, the Minnesota state planning agency, the board of animal health, and the board of water and soil resources.

The task force shall review existing research including pertinent research from the University of Minnesota and shall develop recommendations for a nitrogen fertilizer management plan for the prevention, evaluation, and mitigation of nonpoint source occurrences of nitrogen fertilizer in waters of the state. The nitrogen fertilizer management plan must include components promoting prevention and developing appropriate responses to the detection of inorganic nitrogen from fertilizer sources in ground or surface water.

The task force shall report its recommendations to the commissioner by May 1, 1990. The commissioner shall report to the environmental quality board by July 1, 1990, on the task force's recommendations. The recommendations of this task force shall be incorporated into an overall nitrate and related nitrogen plan prepared by the pollution control agency and the department of agriculture as set forth in article 1, section 6.

Sec. 15. [17.7154] [PROHIBITED FERTILIZER ACTIVITIES.]

Subdivision 1. [STORAGE, HANDLING, DISTRIBUTION, OR DISPOSAL.] A person may not store, handle, distribute, or dispose of a fertilizer, rinsate, fertilizer container, or fertilizer application equipment in a manner:

(1) that endangers humans, damages agricultural products, food, livestock, fish, or wildlife;

(2) that will cause unreasonable adverse effects on the environment; or

(3) that will cause contamination of public or other waters of the state as defined in section 105.37, subdivisions 7 and 14, from backsiphoning or backflowing of fertilizers through water wells or from the direct flowage of fertilizers.

Subd. 2. [USE OF PUBLIC WATER SUPPLIES FOR FILLING EQUIPMENT.] A person may not fill fertilizer application equipment directly from a public water supply, as defined in section 144.382, unless the outlet from the public water supply is equipped with a backflow prevention device that complies with parts 4715.2000 to 4715.2280. The person may not introduce fertilizers into the application equipment until after filling the equipment from the public water supply.

Subd. 3. [USE OF PUBLIC WATERS FOR FILLING EQUIPMENT.] A person may not fill fertilizer application equipment directly from public or other waters of the state, as defined in section 105.37, subdivisions 7 and 14, unless the equipment contains proper and functioning anti-backsiphoning mechanisms. The person may

not introduce fertilizers into the application equipment until after filling the equipment from the public waters.

Subd. 4. [CLEANING EQUIPMENT IN OR NEAR SURFACE WATER.] A person may not:

(1) clean fertilizer application equipment in surface waters of the state; or

(2) fill or clean fertilizer application equipment adjacent to surface waters, ditches, or wells where, because of the slope or other conditions, fertilizers or materials contaminated with fertilizers could enter or contaminate the surface waters, groundwater, or wells, as a result of overflow, leakage, or other causes.

Subd. 5. [FERTILIZER, RINSATE, AND CONTAINER DISPOSAL.] A person may only dispose of fertilizer, rinsate, and fertilizer containers in accordance with this chapter. The manner of disposal must not cause unreasonable adverse effects on the environment.

Sec. 16. Minnesota Statutes 1988, section 17.7155, is amended to read:

#### 17.7155 [APPROVAL OF FACILITY AND EQUIPMENT.]

Subdivision 1. [APPROVAL PERMIT.] A person beginning construction of or substantially altering an existing facility or equipment used for the manufacture, blending, handling, or bulk storage of commercial fertilizers, soil or plant amendments shall obtain the approval of a permit from the commissioner on forms provided by the commissioner. The commissioner shall not grant a permit for a site without safeguards adequate to prevent the escape or movement of the fertilizers from the site.

Subd. 2. [TRANSFER FEES.] The approval shall not be transferable from one person to another, or from the ownership to whom issued to another ownership, or from one location to another. An application for a new facility must be accompanied by a nonrefundable application fee of \$100 for each location where fertilizer is stored. An application for a facility that includes both fertilizers, as regulated under this chapter, and pesticides, as regulated under chapter 18B, shall pay only one application fee of \$100. An application to substantially alter a facility or equipment must be accompanied by a nonrefundable \$50 fee. An additional fee of \$250 must be paid by an applicant who begins construction or substantial alteration before a permit is issued.

## Sec. 17. [17.7156] [CHEMIGATION.]

Subdivision 1. [PERMIT REQUIRED.] (a) A person may not apply fertilizers through an irrigation system without a chemigation permit from the commissioner. A chemigation permit is required for one or more wells, or other irrigation water source, that is protected from fertilizer contamination by devices as required by rule. The commissioner may allow irrigation to be used to apply fertilizers on crops and land, including agricultural, nursery, turf, golf course, and greenhouse sites.

(b) A person must apply for a chemigation permit on forms prescribed by the commissioner.

Subd. 2. [EQUIPMENT.] A chemigation system must be fitted with effective antisiphon devices or check valves that prevent the backflow of fertilizers or fertilizer-water mixtures into water supplies or other materials during times of irrigation system failure or equipment shutdown. The devices or valves must be installed between:

(1) the irrigation system pump or water source discharge and the point of fertilizer injection; and

(2) the point of fertilizer injection and the fertilizer supply.

Subd. 3. [APPLICATION FEE.] A person initially applying for a chemigation permit must pay a nonrefundable application fee of \$50. A person who holds a valid pesticide chemigation permit as required by chapter 18B is exempt from the fee in this subdivision.

Subd. 4. [RULES.] The commissioner shall, by rule, develop specific requirements for implementation of a program to regulate application of fertilizers by irrigation.

Sec. 18. Minnesota Statutes 1988, section 17.716, subdivision 1, is amended to read:

Subdivision 1. [LABEL CONTENTS.] Any commercial fertilizer offered for sale or sold or distributed in this state in bags, or other containers, shall must have placed on or affixed to the container a label setting forth in clearly legible and conspicuous form the following information: ~~(a)~~ (1) the net weight; ~~(b)~~ (2) the brand and grade. When, except that the grade is not required if no primary nutrients are claimed, and if the commercial fertilizer material is used solely for agricultural purposes, inclusion of the grade on the tag or label, shall be is optional providing if the guaranteed analysis statement is shown in the complete form as in section 17.713, subdivision 8; ~~(c)~~ (3) the guaranteed analysis; ~~(d)~~ (4) the name and address of the guarantor; (5) directions for use; and (6) a derivatives

statement. ~~Such~~ This information, if not appearing on the face or display side of the container in a conspicuous form, shall must appear on the upper one third of the side of the container, or on the upper end of the container or shall must be printed on tags affixed conspicuously to the upper end of the container.

Sec. 19. Minnesota Statutes 1988, section 17.716, subdivision 2, is amended to read:

Subd. 2. [BLENDS AND MIXTURES.] Any distributor who blends or mixes fertilizer materials to a customer's order without a guaranteed analysis of the final mixture shall furnish each and every purchaser, in written or printed form, an invoice or delivery ticket showing the net weight and guaranteed analysis of each and every one of the materials used in the mixture, ~~which shall~~. This document must accompany the delivery. Records of invoices or delivery tickets must be kept for five years after the delivery or application.

Sec. 20. Minnesota Statutes 1988, section 17.717, is amended to read:

17.717 [LICENSE, INSPECTION, AND REGISTRATION FEES.]

Subdivision 1. [LICENSE FEE.] ~~Each~~ An application for a retail fertilizer handlers license from each fixed location in the state must be accompanied by a \$25 fee. An application for a license of another kind from each fixed location within the state shall must be accompanied by a fee of \$50 \$100 fee.

A fee of ~~\$50 shall~~ \$100 must accompany the application for a license for all fixed locations of each firm outside of the state. In the case of mobile mechanical units, each unit owned and operated by any one distributor shall must be licensed at a rate of ~~\$50 \$100~~ for the first unit and ~~\$25 \$50~~ for each additional mobile mechanical unit.

Subd. 1a. [FERTILIZER INSPECTION ACCOUNT.] A fertilizer inspection account is established in the state treasury. The commissioner shall deposit all fees and penalties collected under sections 17.711 to 17.729 in the fertilizer inspection account. Money in that account, including interest earned and any money appropriated for the purposes of sections 17.711 to 17.729, is annually appropriated to the commissioner for the administration and enforcement of sections 17.711 to 17.729.

Subd. 3. [SMALL PACKAGE; SPECIALTY FERTILIZER.] ~~Each~~ An application for registration of a commercial fertilizer material sold as a ~~small package~~ or as a specialty fertilizer shall be accompanied by a registration and inspection fee of ~~\$50 \$100~~ for each

brand and grade to be sold or distributed. This shall be in accordance with the provisions of section 17.714, subdivision 1.

Subd. 4. [SOIL AMENDMENT, PLANT AMENDMENT.] Each application for registration of a soil amendment or plant amendment shall be accompanied by a registration and inspection fee of ~~\$100~~ \$200 for each brand sold or distributed. This shall be in accordance with the provisions of section 17.714, subdivision 1.

Subd. 4a. [ADDITIONAL FEE AFTER JANUARY 1 OR JULY 1.] If an application for renewal of a fertilizer ~~blending~~ license or registration of a ~~small package fertilizer~~, specialty fertilizer, soil amendment or plant amendment is not filed prior to January 1 or July 1 of any year, as required, an additional fee amounting to 50 percent of the amount due shall be assessed before the renewal license or registration may be issued.

Subd. 5. [INSPECTION FEES.] There shall be paid to the commissioner for all commercial fertilizers and soil and plant amendments offered for sale, sold, or distributed in this state an inspection fee at the rate of ~~ten~~ 15 cents per ton, with a minimum fee of \$10. Products sold to manufacturers or exchanged between them are hereby exempted from the fee imposed by this subdivision when used exclusively for manufacturing purposes. ~~Inspection fees of products registered under provisions of subdivisions 3 and 4, are also exempted.~~

Subd. 6. [ADDITIONAL FEE.] An additional fee of 100 percent of the amount due must be paid by the applicant for each license or registration for products distributed or used in the state before initial state licensing or registration.

Sec. 21. Minnesota Statutes 1988, section 17.718, is amended to read:

#### 17.718 [TONNAGE REPORT.]

Subdivision 1. [SEMIANNUAL STATEMENT.] Each licensed distributor of commercial fertilizer ~~except a retail fertilizer handler~~ and each registrant of a commercial fertilizer, soil amendment, or plant amendment shall file with the commissioner on forms furnished by the commissioner, a semiannual statement for the periods ending December 31 and June 30 setting forth the number of net tons of each grade of commercial fertilizer, soil amendment, or plant amendment distributed in this state during the reporting period. A report from a licensee who sells to an ultimate consumer must be accompanied by records or invoice copies indicating the name of the distributor who paid the inspection fee, the net tons received, and the grade or brand name of the products received. The report is due on or before the ~~30th~~ 31st of the month following the close of each reporting period of each calendar year. The inspection fee at the rate

stated in section 17.717, subdivision 5 shall accompany the statement. For the tonnage report that is not filed or the payment of inspection fees that is not made within 30 31 days after the end of the reporting period, a penalty of ten percent of the amount due, with a minimum penalty of \$10 \$25, shall be assessed against the licensee or registrant, and the total amount of fees due, plus penalty, shall constitute a debt and may be recovered in a civil action against the licensee or registrant. The assessment of this penalty shall not prevent the department from taking other actions as provided in this chapter. The commissioner may by rule require additional reports for the purpose of gathering statistical data relating to fertilizer, soil amendments, and plant amendments distribution in the state.

Subd. 2. When more than one person is involved in the distribution of a commercial fertilizer, the last person licensed distributor who imports, manufactures, or produces the commercial fertilizer or who has the fertilizer registered and who distributes to a nonlicensed or nonregistrant dealer or consumer is responsible for the inspection fee on products produced or brought into this state after July 1, 1989. The distributor must separately list the inspection fee on the invoice to the licensee. The last licensee must retain the invoices showing proof of inspection fees paid for three years and must pay the inspection fee on products brought into this state before July 1, 1989, unless the reporting and paying of fees have been made by a prior distributor of the fertilizer.

Subd. 3. Submission of each tonnage report shall is also be authority for the commissioner's permission to verify the records upon which such the statement of tonnage is based.

Sec. 22. Minnesota Statutes 1988, section 17.719, subdivision 1, is amended to read:

Subdivision 1. [POWERS AND DUTIES OF COMMISSIONER ACCESS AND ENTRY.] The commissioner shall sample, inspect, make analysis of, and test commercial fertilizers, soil amendments and plant amendments offered for sale, sold, or distributed within this state at a time and place and to an extent the commissioner may deem necessary to determine whether the commercial fertilizers, soil amendments and plant amendments are in compliance with the provisions of sections 17.711 to 17.729, and may obtain additional information as the commissioner deems advisable. The commissioner is authorized to enter upon any public or private premises during regular business hours in order to have access to commercial fertilizers, soil amendments, and plant amendments subject to the provisions of sections 17.711 to 17.729 and rules adopted under section 17.725. (a) The commissioner, upon presentation of official department credentials, must be granted access at reasonable times without delay to sites:

- (1) where a person manufactures, formulates, distributes, uses,

disposes of, stores, or transports a commercial fertilizer, soil amendment, or plant amendment; and

(2) which the commissioner reasonably believes are affected, or possibly affected, by the use of a commercial fertilizer, soil amendment or plant amendment, or device in violation of a provision of this chapter.

(b) The commissioner may enter sites for:

(1) inspection of equipment for the manufacture, blending, distribution, disposal, or application of commercial fertilizers, soil amendments or plant amendments, and the premises on which the equipment is stored;

(2) sampling of sites actually or reportedly exposed to commercial fertilizers, soil amendments, or plant amendments;

(3) inspection of storage, handling, distribution, use, or disposal areas of commercial fertilizer, soil amendments, or plant amendments containers;

(4) inspection or investigation of complaints of injury to the environment;

(5) sampling of commercial fertilizers, soil amendments, or plant amendments;

(6) observation of the use and application of a commercial fertilizer, soil amendments, or plant amendments;

(7) inspection of records related to the manufacture, distribution, storage, handling, use, or disposal of commercial fertilizer, soil amendments, or plant amendments;

(8) investigating the source, nature, extent of an incident, and the extent of the adverse effects on the environment;

(9) an emergency inspection at any time when a suspected incident may threaten public health or the environment; and

(10) other purposes necessary to implement this chapter.

Sec. 23. Minnesota Statutes 1988, section 17.719, subdivision 2, is amended to read:

Subd. 2. [OFFICIAL SAMPLE INSPECTION SAMPLES AND ANALYSES.] An official fertilizer, soil amendment or plant amendment sample shall be one drawn from a lot or shipment of fertilizer, soil amendment or plant amendment sold or exposed for sale in this

state in the manner prescribed by the commissioner. In sampling a lot of commercial fertilizer, soil amendment or plant amendment registered under section 17.714, subdivision 1, a single package may constitute the official sample. (a) Before leaving the premises the commissioner shall provide the owner, operator, or agent in charge of an inspected site with a receipt describing any samples obtained. If an analysis is made of the samples, a copy of the results of the analysis must be furnished to the owner, operator, or agent in charge.

(b) The methods of sampling and analysis shall be those adopted by the Association of Official Analytical Chemists. In cases not covered by such methods, or in cases where methods are available in which improved applicability has been demonstrated, the commissioner may adopt such appropriate methods from other sources.

In sampling a lot of commercial fertilizer, soil amendment, or plant amendment registered under section 17.714, subdivision 1, a single package may constitute the official sample.

Sec. 24. Minnesota Statutes 1988, section 17.719, subdivision 3, is amended to read:

Subd. 3. [METHODS OF ANALYSIS POWERS OF COMMISSIONER.] The methods of analysis shall be those adopted by the commissioner from published sources such as those of the association of official analytical chemists. In making inspections under this chapter, the commissioner shall have the power to administer oaths, certify as to official acts, take and cause to be taken depositions of witnesses, issue subpoenas, and compel the attendance of witnesses and production of papers, books, documents, records, and testimony. In case of failure of any person to comply with any subpoena lawfully issued, or on the refusal of any witness to produce evidence or to testify to any matter regarding which the person may be lawfully interrogated, the district court shall, upon application of the commissioner, compel obedience proceedings for contempt, as in the case of disobedience of the requirements of a subpoena issued by the court or a refusal to testify therein.

Sec. 25. Minnesota Statutes 1988, section 17.719, subdivision 4, is amended to read:

Subd. 4. [INSPECTION; SAMPLING; ANALYSIS REQUEST FOR INSPECTION.] The commissioner shall inspect facilities and equipment used for the manufacture, blending, handling, or storing of commercial fertilizers or soil and plant amendments. The commissioner is authorized to enter upon any public or private premises during regular business hours in order to have access to facilities and equipment used to manufacture, blend, handle, or store commercial fertilizers or soil and plant amendments subject to the provisions of sections 17.711 to 17.729 and rules adopted under

section 17.725. Any person who believes that a violation of this chapter has occurred may request an inspection by giving notice to the commissioner of such violation. Any such notice shall be in writing, shall set forth with reasonable particularity the grounds for the notice, and shall be signed by the person. If, upon receipt of such notice, the commissioner reasonably believes that such violation occurred, the commissioner shall, as soon as is practicable, make a special inspection in accordance with the provisions of this section to determine if such violation occurred. An inspection conducted pursuant to a complaint may cover an entire site and shall not be limited to that portion of the site specified in the notice. If the commissioner determines that there are no reasonable grounds to believe that such a violation occurred, the commissioner shall notify the person in writing of such determination.

Sec. 26. Minnesota Statutes 1988, section 17.719, is amended by adding a subdivision to read:

Subd. 5. [ORDER.] Upon the refusal or anticipated refusal, based on a refusal to permit entrance on a prior occasion, of an owner, operator, or agent in charge to permit entry as specified in this chapter, the commissioner may apply for an order in the district court in the county in which a site is located, that permits the commissioner to enter and inspect the site.

Sec. 27. Minnesota Statutes 1988, section 17.719, is amended by adding a subdivision to read:

Subd. 6. [EXEMPTIONS FROM SUBPOENA AUTHORITY.] (a) Neither the commissioner nor any employee of the department, including those employees of other approved agencies providing services to the department, is subject to subpoena for purposes of inquiry into any inspection except in enforcement proceedings brought under this chapter.

(b) Once an inspection file is closed by the commissioner, the commissioner shall, upon request from any person, certify as official department records any information contained in a file which is public information.

Sec. 28. Minnesota Statutes 1988, section 17.719, is amended by adding a subdivision to read:

Subd. 7. [PAYMENT OF COSTS.] If an inspection or investigation reveals that a violation of this chapter has occurred, the commissioner may require the violator to pay the commissioner for the reasonable costs incurred by the commissioner in that inspection or investigation. The commissioner may enter an order for recovery of such costs.

Sec. 29. Minnesota Statutes 1988, section 17.721, is amended by adding a subdivision to read:

Subd. 3. [PLANT FOOD DEFICIENCIES.] Paragraphs (a) to (d) cover plant food deficiencies.

(a) Analysis must show that a fertilizer is deficient (1) in one or more of its guaranteed primary plant nutrients beyond the investigational allowances and compensations as established by regulation, or (2) if the overall index value of the fertilizer is shown below the level established by rule.

(b) A deficiency in an official sample of mixed fertilizer resulting from nonuniformity is not distinguishable from a deficiency due to actual plant nutrient shortage and is properly subject to official action.

(c) For the purpose of determining the commercial index value to be applied, the commissioner shall determine at least annually the values per unit of nitrogen, available phosphoric acid, and soluble potash in fertilizers in this state.

(d) If any fertilizer in the possession of the consumer is found by the commissioner to be short in weight, the registrant or licensee of the fertilizer must within 30 days after official notice from the commissioner submit to the consumer a penalty payment of two times the value of the actual shortage.

Sec. 30. Minnesota Statutes 1988, section 17.723, is amended to read:

17.723 [ADULTERATION.]

No person shall distribute an adulterated fertilizer, soil amendment or plant amendment product. A commercial fertilizer, soil amendment or plant amendment shall be deemed to be adulterated: (a) If it contains any deleterious or harmful ingredient in sufficient amount to render it injurious to plant life when applied in accordance with directions for use on the label; or (b) If its composition falls below or differs from that which it is purported to possess by its labeling; or (c) If it contains unwanted crop seed or weed seed.

Adulterated products that cannot be reconditioned must be disposed of according to ~~approved~~ approved methods approved by the commissioner.

Sec. 31. Minnesota Statutes 1988, section 17.725, subdivision 2, is amended to read:

Subd. 2. [LIMING MATERIALS.] The commissioner may adopt

rules governing the labeling, registration, and distribution of liming materials sold for agricultural purposes, including limestone (carbonates), sulfates, slags (silicates), burned lime (oxides), and hydrated lime (hydroxides). Such products shall not be subject to any tonnage fees under section 17.717, subdivision 4. No registration fee may be imposed on any distributor who sells liming materials only at retail to customers.

Sec. 32. Minnesota Statutes 1988, section 17.725, is amended by adding a subdivision to read:

Subd. 4. [NATIONAL CONFORMITY.] The commissioner may promulgate and amend rules for the efficient administration and enforcement of the Minnesota fertilizer, soil amendment and plant amendment law. The rules must conform with national standards, insofar as that is practicable and consistent with state law.

Sec. 33. Minnesota Statutes 1988, section 17.725, is amended by adding a subdivision to read:

Subd. 5. [HEARINGS.] Hearings authorized or required by law must be conducted by the commissioner or an officer, agent, or employee the commissioner designates.

Sec. 34. Minnesota Statutes 1988, section 17.725, is amended by adding a subdivision to read:

Subd. 6. [ADOPTION OF NATIONAL STANDARDS.] Applicable national standards contained in the 1989 official publication number 42, of the Association of American Plant Food Control Officials including the rules and regulations, statements of uniform interpretation and policy, and the official fertilizer terms and definitions, and not otherwise adopted by the commissioner, may be adopted as fertilizer rules of this state.

Sec. 35. Minnesota Statutes 1988, section 17.728, is amended by adding a subdivision to read:

Subd. 6. [ENFORCEMENT REQUIRED.] (a) The commissioner shall enforce this chapter.

(b) Upon the request of the commissioner, county attorneys, sheriffs, and other officers having authority in the enforcement of the general criminal laws shall take action to the extent of their authority necessary or proper for the enforcement of this chapter or special orders, standards, stipulations, and agreements of the commissioner.

(c) The commissioner shall have authority by administrative

order to assess penalties of up to \$5,000 for a violation of a provision of this chapter.

(d) In determining the size of a penalty, the commissioner shall give due consideration to the economic benefit gained by the person by allowing or committing the violation, the gravity of the violation in terms of actual or potential damage to the environment, and the violator's culpability, good faith, and history of violations.

(e) The administrative penalty may be assessed if the person subject to a corrective action order or remedial action order does not comply with the order in a reasonable time as provided in the order. The commissioner must state the amount of the administrative penalty in the corrective action order or remedial action order.

(f) Penalties assessed under this chapter shall be paid to the commissioner for deposit in the fertilizer regulatory account. If a violator fails to pay a penalty which is part of a final order within 30 days, the commissioner may commence a civil action for double the assessed penalty and attorney fees and costs. Any penalty may be recovered in a civil action in the name of the department brought in the district court of the county where the violation is alleged to have occurred or the district court where the commissioner has an office.

Sec. 36. Minnesota Statutes 1988, section 17.728, is amended by adding a subdivision to read:

Subd. 7. [CRIMINAL ACTIONS] For a criminal action, the county attorney from the county where a criminal violation occurred is responsible for prosecuting a criminal violation of this chapter. If the county attorney refuses to prosecute, the attorney general may prosecute.

Sec. 37. Minnesota Statutes 1988, section 17.728, is amended by adding a subdivision to read:

Subd. 8. [CIVIL ACTIONS.] Civil judicial enforcement actions may be brought by the attorney general in the name of the state on behalf of the commissioner. A county attorney may bring a civil judicial enforcement action upon the request of the commissioner and agreement by the attorney general.

Sec. 38. Minnesota Statutes 1988, section 17.728, is amended by adding a subdivision to read:

Subd. 9. [INJUNCTION.] The commissioner may apply to a court with jurisdiction for a temporary or permanent injunction to prevent, restrain, or enjoin violations of this chapter.

Sec. 39. [17.7281] [ADMINISTRATIVE ACTION.]

Subdivision 1. [ADMINISTRATIVE REMEDIES.] The commissioner may seek to remedy violations by a written warning, administrative meeting, cease and desist, stop-use, stop-sale removal, or other special order, seizure, stipulation, agreement, or administrative penalty if the commissioner determines that the remedy is in the public interest.

Subd. 2. [REVOCAION AND SUSPENSION.] The commissioner may, after written notice and hearing, revoke, suspend, or refuse to grant a registration, permit, license, or certification if a person violates this chapter or has a history within the past three years of violations of this chapter.

Subd. 3. [SERVICE OF ORDER OR NOTICE.] If the person is not available for service of an order, the commissioner may attach the order to the commercial fertilizer, soil amendment or plant amendment equipment, or device or facility, and notify the person. The commercial fertilizer, soil amendment, or plant amendment, equipment, or device may not be sold, used, or removed until the commercial fertilizer, soil amendment, or plant amendment equipment, or device has been released under conditions specified by the commissioner, an administrative law judge, or a court.

#### Sec. 40. [17.7282] [ADMINISTRATIVE COMPLIANCE.]

Subdivision 1. [DUTY TO RESPOND.] After service of an order, a person shall be granted at least 45 days from receipt of the order within which to notify the commissioner in writing that the person intends to contest the order. If the person fails properly to notify the commissioner that the person intends to contest the order, the order shall be deemed a final order of the agency and not subject to review by any court or agency.

Subd. 2. [ADMINISTRATIVE REVIEW.] (a) If a person notifies the commissioner that the person intends to contest an order issued under this chapter, the state office of administrative hearings shall conduct a hearing in accordance with the applicable provisions of chapter 14 for hearings. A hearing shall be conducted at a place designated by the commissioner within the county where the violation occurred or where the person contesting the order resides or has a principal place of business or any other place on which all the parties agree.

(b) Notwithstanding any provision of chapter 14, the final administrative law report shall be the final decision of the agency. Only an administrative law judge, under rules adopted by the office of administrative hearings, may entertain any application or reconsideration of a final agency decision.

Subd. 3. [JUDICIAL REVIEW.] (a) The commissioner or any party

aggrieved by a final agency decision may seek judicial review of a final agency decision under sections 14.63 to 14.69.

(b) Any additional evidence required by a reviewing court under section 14.67 shall be taken by an administrative law judge. Only an administrative law judge may change the agency decision or any findings contained in it. The administrative law judge shall file with the reviewing court the additional evidence, together with any modifications or new findings or decisions as provided in section 14.67.

Subd. 4. [RECOVERING EXPENSES.] A prevailing party, including the commissioner, may recover the reasonable and necessary expenses incurred in a contested case or an appeal from a contested case.

Sec. 41. [17.7283] [CIVIL PENALTIES.]

Subdivision 1. [GENERAL PENALTY.] Except as provided in subdivision 2, a person who violates a provision of this chapter or a special order, standard, stipulation, agreement, or schedule of compliance of the commissioner is subject to a civil penalty of up to \$10,000 per day of violation as determined by the court.

Subd. 2. [DISPOSAL THAT BECOMES HAZARDOUS WASTE.] A person who violates a provision of this chapter or a special order, standard, stipulation, agreement, or schedule of compliance of the commissioner that relates to disposal of fertilizers, soil amendments, or plant amendments so that they become hazardous waste, is subject to the penalties in section 115.071.

Subd. 3. [DEFENSE TO CIVIL REMEDIES AND DAMAGES.] As a defense to a civil penalty or claim for damages under subdivisions 1 to 4, the defendant may prove that the violation was caused solely by an act of God, an act of war, or an act or failure to act that constitutes sabotage or vandalism, or any combination of these defenses.

Subd. 4. [ACTIONS TO COMPEL PERFORMANCE.] In an action to compel performance of an order of the commissioner to enforce a provision of this chapter, the court may require a defendant adjudged responsible to perform the acts within the person's power that are reasonably necessary to accomplish the purposes of the order.

Subd. 5. [RECOVERY OF PENALTIES BY CIVIL ACTION.] The civil penalties and payments provided for in this section may be recovered by a civil action brought by the county attorney or the attorney general in the name of the state.

Subd. 6. [RECOVERY OF LITIGATION COSTS AND EXPENSES.] A prevailing party may recover the reasonable and necessary value of all or a part of the litigation expenses incurred in an action brought under this chapter for civil penalties or injunctive relief, or in an action to compel compliance. In determining the amount of these litigation expenses to be allowed, the court shall give consideration to the economic circumstances of the defendant.

Sec. 42. [17.7284] [CRIMINAL PENALTIES.]

Subdivision 1. [GENERAL VIOLATION.] Except as provided in subdivisions 2 and 3, a person is guilty of a misdemeanor, if the person violates a provision of this chapter, or a special order, standard, stipulation, agreement, or schedule or compliance of the commissioner.

Subd. 2. [VIOLATION ENDANGERING HUMANS.] A person is guilty of a gross misdemeanor if the person violates a provision of this chapter or a special order, standard, stipulation, agreement, or schedule of compliance of the commissioner, and the violation endangers humans.

Subd. 3. [VIOLATION WITH KNOWLEDGE.] A person is guilty of a gross misdemeanor if the person knowingly violates a provision of this chapter or standard, or a special order, stipulation, agreement, or schedule of compliance of the commissioner.

Subd. 4. [DISPOSAL THAT BECOMES HAZARDOUS WASTE.] A person who knowingly, or with reason to know, disposes of a fertilizer or soil and plant amendment so that the product becomes hazardous waste is subject to the penalties in section 115.071.

Sec. 43. Minnesota Statutes 1988, section 17.7285, is amended to read:

17.7285 [INCIDENTS.]

The commissioner may apply appropriate, efficient procedures to contain and control fertilizers and soil and plant amendments involved in an emergency incident likely to cause unreasonable adverse effects on the environment. For purposes of this section "incident" includes a flood, fire, tornado, or motor vehicle accident, which unintentionally releases fertilizers and soil and plant amendments on the environment. Persons involved in or responsible for an incident shall report the incident to the commissioner immediately upon discovering the incident. The department of agriculture shall be the lead government agency for decisions involving the emergency.

Sec. 44. [17.7286] [FERTILIZER RELEASE INCIDENTS.]

Subdivision 1. [CORRECTIVE ACTION ORDERS.] A responsible party or an owner of real property must, upon discovering that an incident has occurred, immediately report that incident to the commissioner. The responsible party must submit a written report of the incident to the commissioner containing the information requested by the commissioner within the time specified by the commissioner. After determining an incident has occurred, the commissioner may order the responsible party to take reasonable and necessary corrective actions. The commissioner shall notify the owner of real property where corrective action is ordered that access to the property will be required for the responsible party or the commissioner to take corrective action. A political subdivision may not request or order any person to take an action that conflicts with the corrective action ordered by the commissioner. The attorney general may bring an action to compel corrective action.

Subd. 2. [COMMISSIONER AND COMPELLED PERFORMANCE CORRECTIVE ACTIONS.] The commissioner may take corrective action if:

(1) a responsible party cannot be identified; or

(2) an identified responsible party cannot or will not comply with an order issued under subdivision 1.

Subd. 3. [EMERGENCY CORRECTIVE ACTION.] To assure an adequate response to an incident, the commissioner may take corrective action without following the procedures of subdivision 1 if the commissioner determines that the incident constitutes a clear and immediate danger requiring immediate action to prevent, minimize, or mitigate damage to the public health and welfare or the environment. Before taking an action under this subdivision, the commissioner shall make all reasonable efforts, taking into consideration the urgency of the situation, to order a responsible party to take a corrective action and notify the owner of real property where the corrective action is to be taken.

Subd. 4. [LEAD AGENCY.] The department of agriculture is the lead state agency in taking corrective action for incidents.

Subd. 5. [CONTINGENCY PLAN.] Persons storing bulk fertilizers or soil and plant amendment products must develop and maintain a contingency plan that describes the storage, handling, disposal, and incident handling practices. The plan must be kept at a principal business site or location within this state and must be submitted to the commissioner upon request. The plan must be available for inspection by the commissioner.

Sec. 45. [17.7287] [LIABILITY.]

Subdivision 1. [LIABILITY.] (a) A responsible party is liable for the costs, including administrative costs, for corrective action under section 44. The commissioner may issue an order for recovery of corrective action costs.

(b) A responsible party is also liable for the costs of any destruction to wildlife. Payments of these costs must be deposited in the game and fish fund in the state treasury.

Subd. 2. [AVOIDANCE OF LIABILITY.] (a) A responsible party may not avoid liability by a conveyance of any right, title, or interest in real property or by any indemnification, hold harmless agreement, or similar agreement.

(b) This subdivision does not:

(1) prohibit a person who may be liable from entering an agreement by which the person is insured, held harmless, or indemnified for part or all of the liability;

(2) prohibit the enforcement of an insurance, hold harmless, or indemnification agreement; or

(3) bar a cause of action brought by a person who may be liable or by an insurer or guarantor, whether by right of subrogation or otherwise.

Subd. 3. [OWNER OF REAL PROPERTY.] An owner of real property is not a responsible party for an incident on the property unless that person:

(1) was engaged in manufacturing, making, transporting, storing, handling, applying, distributing, or disposing of a fertilizer on the property;

(2) knowingly permitted any person to make regular use of the property for disposal of fertilizers; or

(3) violated this chapter in a way that contributed to the incident.

Subd. 4. [DEFENSE.] As a defense to a penalty or liability for damages, a person may prove that the violation was caused solely by an act of God, an act of war, or an act or failure to act that constitutes sabotage or vandalism, or any combination of these defenses.

Sec. 46. [17.7288] [APPORTIONMENT AND CONTRIBUTION.]

Subdivision 1. [RIGHT OF APPORTIONMENT; FACTORS.] A person held liable under this chapter has the right to have the trier

of fact apportion liability among the parties as provided in this section. The burden is on each responsible party to show how that responsible party's liability should be apportioned. The trier of fact shall reduce the amount of damages in proportion to any amount of liability apportioned to the party recovering.

In apportioning the liability of a party under this section, the trier of fact shall consider the following:

- (1) the extent to which that party contributed to the incident;
- (2) the amount of commercial fertilizer, soil amendment, or plant amendment involved;
- (3) the degree of toxicity of the commercial fertilizer, soil amendment, or plant amendment involved;
- (4) the degree of involvement of and care exercised by the party in manufacturing, blending, handling, storing, distributing, transporting, applying, and disposing of the commercial fertilizer, soil amendment, or plant amendment;
- (5) the degree of cooperation by the party with federal, state, or local officials to prevent any harm to the public health or the environment; and
- (6) knowledge by the party of the hazardous nature of the commercial fertilizer, soil amendment, or plant amendment.

Subd. 2. [CONTRIBUTION.] If a person is held liable under this chapter and establishes a proportionate share of the aggregate liability, section 604.02, subdivisions 1 and 2, apply with respect to contribution and reallocation of any uncollectible amounts, except that an administrative law judge may also perform the functions of a court identified in section 604.02, subdivision 2.

#### Sec. 47. [EMPLOYEES; COMPENSATION.]

The commissioner may employ necessary agents and assistants to administer and enforce this chapter, none of whom, except those who are employed on a full-time basis, shall come within or be governed by chapter 43A. The compensation for the unclassified employees shall be on the basis of a rating and salary scale determined by the commissioner's plan of the department of employee relations or the appropriate bargaining unit contract.

#### Sec. 48. [REPEALER.]

Minnesota Statutes 1988, sections 17.714, subdivisions 4, 4a, and

4b; 17.721; 17.726; 17.727; 17.728, subdivisions 4 and 5; 17.729; and 17.73, subdivision 5, paragraph (d), are repealed.

### ARTICLE 3 PESTICIDE CONTROL

#### Section 1. [17.114] [SUSTAINABLE AGRICULTURE.]

Subdivision 1. [PURPOSE.] The purpose of this section is to assure the viability of Minnesota agriculture.

Subd. 2. [REPORT.] The commissioner of agriculture shall investigate, demonstrate, report on, and make recommendations on the current and future sustainability of Minnesota agriculture.

Subd. 3. [DEFINITIONS.] For purposes of this section, the following definitions apply:

(a) "Sustainable agriculture" represents the best aspects of traditional and modern agriculture by using a fundamental understanding of nature, as well as the latest scientific advances to create integrated, self-reliant, resource conserving practices that increase farm profitability, maintain or improve the quality of soil and water resources, and lessen dependency on nonrenewable resources, and thereby enhance the enrichment of the environment and provide short- and long-term productive agriculture.

(b) "Integrated pest management" means use of a combination of approaches, incorporating the judicious application of ecological principles, management techniques, cultural and biological controls, and chemical methods, to keeping pests below levels where they do economic damage.

Subd. 4. [DUTIES.] The commissioner shall:

(1) establish a task force of appropriate agencies and organizations to assist the department by:

(i) recommending indices or measures to assess the long-term sustainability of Minnesota agriculture;

(ii) assisting the commissioner in evaluating the identified trends;

(iii) identifying new innovations; and

(iv) suggesting state policies and programs that may be needed to

assure the sustainability of Minnesota agriculture and related natural resources;

(2) establish a clearinghouse and provide information, appropriate educational opportunities, and other assistance to individuals, producers, and groups about sustainable agricultural techniques, practices, and opportunities;

(3) survey producers, support services, and organizations to determine information and research needs in the area of sustainable agricultural practices;

(4) demonstrate the applicability of sustainable agriculture practices to Minnesota conditions;

(5) coordinate the efforts of state agencies regarding activities relating to sustainable agriculture;

(6) direct the programs of the department so as to work toward the sustainability of Minnesota agriculture;

(7) inform agencies of how state or federal programs could utilize and support sustainable agriculture practices;

(8) work with farmers, the University of Minnesota, public post-secondary institutions, and other appropriate organizations to identify opportunities and needs as well as promote cooperation, assure coordination, and avoid duplication of efforts regarding research, teaching, and extension work relating to sustainable agriculture; and

(9) report to the legislature every odd-numbered year on at least the following:

(i) the presentation and analysis of findings regarding the current status and trends of the economic condition of producers, the status of soil and water resources utilized by production agriculture, the magnitude of off-farm inputs used and the amount of nonrenewable resources used by Minnesota farmers;

(ii) a description of current state or federal programs directed toward sustainable agriculture including significant results and experience of those programs;

(iii) a description of specific actions the department of agriculture is taking in the area of sustainable agriculture;

(iv) a description of current and future research needs at all levels in the area of sustainable agriculture; and

(v) suggestions for changes in existing programs or policies or enactment of new programs of policies that will affect farm profitability, maintain soil and water quality, reduce input costs, or lessen dependence upon nonrenewable resources.

Subd. 5. [INTEGRATED PEST MANAGEMENT.] The state shall promote and facilitate the use of integrated pest management through education, financial assistance, information and research.

Subd. 6. [INTEGRATED PEST MANAGEMENT APPROACH.] The commissioner shall coordinate the development of a state approach to the promotion and use of integrated pest management, which shall include delineation of the responsibilities of the state, public post-secondary institutions, Minnesota extension service, local units of government, and the private sector; establishment of information exchange and integration; procedures for identifying research needs and reviewing and preparing informational materials; procedures for factoring integrated pest management into state laws, rules, and uses of pesticides; and identification of barriers to adoption. The commission shall report to the governor and legislature by November 15, 1990 and on a biennial basis thereafter.

Subd. 7. [CONSULTANT CERTIFICATION.] The commissioner shall, in consultation with Minnesota extension service and the consultant community, develop recommendations for a mandatory state crop consultant certification program under chapter 326 and report its recommendations to the governor and legislature by November 15, 1990. The program shall include consideration of educational requirements, current professional certification programs, and certification subcategories based on the need for consultant specialization.

Subd. 8. [STATE USES OF PESTICIDES AND NUTRIENTS.] The state shall use integrated pest management techniques in its management of public lands, including roadside rights-of-way, parks and forests; and shall use planting regimes that minimize the need for pesticides and added nutrients.

Subd. 9. [USER INFORMATION SYSTEM.] The commissioner shall promote establishment of a pilot pesticide and nutrient user information system at the county level in cooperation with the board of water and soil resources, the United States Soil Conservation Service, and the Minnesota extension service, to ensure that accurate and consistent information is available at the local level on recommended application rates and possible environmental impacts.

Subd. 10. [COOPERATION OF OTHER AGENCIES.] Other agencies of state government and the University of Minnesota shall cooperate with the commissioner in the exercise of responsibilities under this section. The commissioner of agriculture shall consult

with the University of Minnesota and other agencies and organizations in carrying out duties under this section.

Sec. 2. Minnesota Statutes 1988, section 17.73, subdivision 3, is amended to read:

Subd. 3. [ANALYSES REPORTING STANDARDS.] (a) The results obtained from soil or plant analysis must be reported in accordance with standard reporting units established by the commissioner by rule. The standard reporting units must conform as far as practical to uniform standards that are adopted on a regional or national basis.

(b) If a certified laboratory offers a recommendation, the University of Minnesota recommendation or that of another land grant college in a contiguous state must be offered in addition to other recommendations, and the source of the recommendation must be identified on the recommendation form. If relative levels such as low, medium, or high are presented to classify the analytical results, the corresponding relative levels based on the analysis as designated by the University of Minnesota or the land grant college in a contiguous state must also be presented.

(c) Information on efficient and environmentally sound practices based on research studies shall be included with all soil test results.

Sec. 3. Minnesota Statutes 1988, section 18B.01, subdivision 5, is amended to read:

Subd. 5. [COMMERCIAL APPLICATOR.] "Commercial applicator" means a person who has or is required to have a commercial applicator license.

Sec. 4. Minnesota Statutes 1988, section 18B.01, is amended by adding a subdivision to read:

Subd. 6a. [CORRECTIVE ACTION.] "Corrective action" means action taken to minimize, eliminate, or clean up an incident.

Sec. 5. Minnesota Statutes 1988, section 18B.01, subdivision 12, is amended to read:

Subd. 12. [INCIDENT.] "Incident" means a flood, fire, tornado, transportation accident, storage container rupture, ~~portable container rupture~~, leak, spill, emission, discharge, escape, leach, disposal, or other event that releases or immediately threatens to release a pesticide accidentally or otherwise into the environment, and may cause unreasonable adverse effects on the environment. "Incident" does not include the lawful use or intentional release of a

pesticide in accordance with its approved label or labeling or a discharge or other release authorized by law.

Sec. 6. Minnesota Statutes 1988, section 18B.01, subdivision 15, is amended to read:

Subd. 15. [NONCOMMERCIAL APPLICATOR.] "Noncommercial applicator" means a person with who has or is required to have a noncommercial applicator license.

Sec. 7. Minnesota Statutes 1988, section 18B.01, is amended by adding a subdivision to read:

Subd. 15a. [OWNER OF REAL PROPERTY.] "Owner of real property" means a person who is in possession of, has the right of control, or controls the use of real property, including without limitation a person who may be a fee owner, lessee, renter, tenant, lessor, contract for deed vendee, licensor, licensee, or occupant.

Sec. 8. Minnesota Statutes 1988, section 18B.01, subdivision 19, is amended to read:

Subd. 19. [PESTICIDE DEALER.] "Pesticide dealer" means a person with who has or is required to have a pesticide dealer license.

Sec. 9. Minnesota Statutes 1988, section 18B.01, subdivision 21, is amended to read:

Subd. 21. [PRIVATE APPLICATOR.] "Private applicator" means a person certified to use or supervise use of restricted use pesticides.

Sec. 10. Minnesota Statutes 1988, section 18B.01, subdivision 23, is amended to read:

Subd. 23. [RESPONSIBLE PARTY.] "Responsible party" means a person or persons who at the time of an incident has custody of, control of, or responsibility for a pesticide, pesticide container, or pesticide rinsate.

Sec. 11. Minnesota Statutes 1988, section 18B.01, is amended by adding a subdivision to read:

Subd. 24a. [RETAIL PESTICIDE HANDLER.] "Retail pesticide handler" means a person, other than a pesticide dealer, who sells a commercial pesticide in a packaged container that was produced or guaranteed by another person.

Sec. 12. Minnesota Statutes 1988, section 18B.01, subdivision 26, is amended to read:

Subd. 26. [SAFEGUARD.] "Safeguard" means a facility, equipment, device, or system, or a combination of these, designed to prevent the escape or movement of a pesticide from the place it is stored or kept under conditions that might otherwise result in contamination of the environment an incident.

Sec. 13. Minnesota Statutes 1988, section 18B.01, subdivision 30, is amended to read:

Subd. 30. [STRUCTURAL PEST CONTROL APPLICATOR.] "Structural pest control applicator" means a person with who has or is required to have a structural pest control license.

Sec. 14. Minnesota Statutes 1988, section 18B.01, subdivision 31, is amended to read:

Subd. 31. [UNREASONABLE ADVERSE EFFECTS ON THE ENVIRONMENT.] "Unreasonable adverse effects on the environment" means any unreasonable risk to humans or the environment, taking into account the economic, social, and environmental costs and benefits of the use of any pesticide. Exceeding a state water quality or drinking water standard adopted under sections 115.44 and 144.383, or limits adopted under article 1, section 5, constitutes an unreasonable adverse effect on the environment.

Sec. 15. Minnesota Statutes 1988, section 18B.03, is amended by adding a subdivision to read:

Subd. 4. [EMPLOYEES; COMPENSATION.] The commissioner may employ necessary agents and assistants to administer and enforce this chapter, none of whom, except those who are employed on a full-time basis, shall come within or be governed by chapter 43A. The compensation for the unclassified employees shall be on the basis of a rating and salary scale determined by the commissioner's plan of the department of employee relations or the appropriate bargaining unit contract.

Sec. 16. Minnesota Statutes 1988, section 18B.04, is amended to read:

18B.04 [PESTICIDE IMPACT ON WATER QUALITY THE ENVIRONMENT.]

The commissioner shall:

- (1) determine the impact of pesticides on the environment, including surface water and ground water in this the state;
- (2) develop best management practices and water resources pro-

tection measures as defined in article 1, section 2, involving pesticide distribution, storage, handling, use, and disposal; and

(3) cooperate with and assist other state agencies and local governments to protect public health and the environment from harmful exposure to pesticides.

Sec. 17. Minnesota Statutes 1988, section 18B.07, subdivision 2, is amended to read:

Subd. 2. [PROHIBITED PESTICIDE USE.] (a) A person may not use, store, handle, distribute, or dispose of a pesticide, rinsate, pesticide container, or pesticide application equipment in a manner:

(1) that is inconsistent with a label or labeling;

(2) that endangers humans, damages agricultural products, food, livestock, fish, or wildlife, or beneficial insects; or

(3) that will cause unreasonable adverse effects on the environment.

(b) A person may not:

(1) direct a pesticide on onto property beyond the boundaries of the target site. A person may not apply a pesticide resulting in;

(2) apply a pesticide so as to cause damage to adjacent nearby property;

(c) A person may not directly;

(3) apply a pesticide on a human by overspray or target site spray;  
or

(d) A person may not

(4) apply a pesticide in a manner so as to expose a worker human in an immediately adjacent, open field area.

Sec. 18. Minnesota Statutes 1988, section 18B.07, subdivision 3, is amended to read:

Subd. 3. [POSTING.] (a) If the pesticide labels prescribe specific hourly or daily intervals for human reentry following application, the person applying the pesticide must post fields, buildings, or areas where the pesticide has been applied. The posting must be done with placards in accordance with label requirements and rules adopted under this section.

(b) Fields Sites being treated with pesticides through irrigation systems must be posted throughout the period of pesticide treatment. The posting must be done in accordance with labeling and rules adopted under this chapter.

Sec. 19. Minnesota Statutes 1988, section 18B.07, subdivision 4, is amended to read:

Subd. 4. [PESTICIDE SAFEGUARDS AT APPLICATION SITES.] A person may not allow a pesticide, rinsate, or unrinsed pesticide container to be stored, kept, or to remain in or on any site without safeguards adequate to prevent the escape or movement of the pesticides from the site an incident.

Sec. 20. Minnesota Statutes 1988, section 18B.07, subdivision 5, is amended to read:

Subd. 5. [USE OF PUBLIC WATER SUPPLIES FOR FILLING EQUIPMENT.] A person may not fill pesticide application equipment directly from a public water supply, as defined in section 144.382, unless the outlet from the public water supply is equipped with a backflow prevention device that complies with the Minnesota Plumbing Code under Minnesota Rules, parts 4715.2000 to 4715.2280, and unless the equipment contains proper and functioning anti-backsiphoning equipment. The person may not introduce pesticides into the application equipment until after filling the equipment from a public water supply.

Sec. 21. Minnesota Statutes 1988, section 18B.07, subdivision 6, is amended to read:

Subd. 6. [USE OF PUBLIC WATERS FOR FILLING EQUIPMENT.] (a) A person may not fill pesticide application equipment directly from public or other waters of the state, as defined in section 105.37, subdivision 7 or 14, unless the equipment contains proper and functioning anti-backsiphoning mechanisms. The person may not introduce pesticides into the application equipment until after filling the equipment from the public waters.

(b) This subdivision does not apply to permitted applications of aquatic pesticides to public waters.

Sec. 22. Minnesota Statutes 1988, section 18B.07, subdivision 7, is amended to read:

Subd. 7. [CLEANING EQUIPMENT IN OR NEAR SURFACE WATER.] (a) A person may not:

(1) clean pesticide application equipment in surface waters of the state; or

(2) fill or clean pesticide application equipment adjacent to surface waters, ditches, or wells where, because of the slope or other conditions, pesticides or materials contaminated with pesticides could enter or contaminate the surface waters, ground water, or wells, as a result of overflow, leakage, or other causes.

(b) This subdivision does not apply to permitted application of aquatic pesticides to public waters.

Sec. 23. Minnesota Statutes 1988, section 18B.08, subdivision 1, is amended to read:

Subdivision 1. [PERMIT REQUIRED.] (a) A person may not apply pesticides through an irrigation system without a chemigation permit from the commissioner. Only one chemigation permit is required for ~~two~~ one or more wells or other irrigation water sources that are protected from pesticide contamination by the same devices as required by rule. The commissioner may allow irrigation to be used to apply pesticides on crops and land, including agricultural, nursery, turf, golf course, and greenhouse sites.

(b) A person must apply for a chemigation permit on forms prescribed by the commissioner.

Sec. 24. Minnesota Statutes 1988, section 18B.08, subdivision 3, is amended to read:

Subd. 3. [EQUIPMENT.] A chemigation system must be fitted with effective antisiphon devices or check valves that prevent the backflow of pesticides or pesticide-water mixtures into water supplies or other materials during times of irrigation system failure or equipment shutdown. The devices or valves must be installed between:

(1) the irrigation system pump or water source discharge and the point of pesticide injection; and

(2) the point of pesticide injection and the pesticide supply.

Sec. 25. Minnesota Statutes 1988, section 18B.08, subdivision 4, is amended to read:

Subd. 4. [APPLICATION FEE.] A person initially applying for a chemigation permit must pay a nonrefundable application fee of \$50 for each well that is to be used in applying the pesticides by irrigation. A person who holds a valid fertilizer chemigation permit, as defined in chapter 17, is exempt from the fee in this section.

Sec. 26. Minnesota Statutes 1988, section 18B.15, is amended to read:

## 18B.15 [PESTICIDE RELEASE INCIDENTS.]

Subdivision 1. [DUTIES OF RESPONSIBLE PARTY CORRECTIVE ACTION ORDERS.] (a) A responsible party involved in an incident or an owner of real property must immediately, upon discovering that an incident has occurred, report the that incident to the department of agriculture and provide information as requested by the commissioner. The responsible party must pay for the costs and immediately take all action necessary to minimize or abate the release and to recover pesticides involved in the incident.

(b) The responsible party must submit a written report of the incident to the commissioner containing the information requested by the commissioner within the time specified by the commissioner and also submit a written report to the commissioner containing the information requested by the commissioner within the time specified by the commissioner. After determining that an incident has occurred, the commissioner may order the responsible party to take reasonable and necessary corrective actions. The commissioner shall notify the owner of real property where corrective action is ordered that access to the property will be required for the responsible party or the commissioner to take corrective action. A political subdivision may not request or order any person to take an action that conflicts with the corrective action ordered by the commissioner. The attorney general may bring an action to compel corrective action.

Subd. 2. [COMMISSIONER'S COMMISSIONER AND COMPELLED PERFORMANCE CORRECTIVE ACTION.] (a) If in the judgment of the commissioner the responsible party does not take immediate and sufficient action to abate the release of and to recover the pesticide, The commissioner may take corrective action necessary to mitigate or correct the conditions resulting from an incident. The responsible party must reimburse the commissioner for the costs incurred by the commissioner in the enforcement of this subdivision.

(b) The department of agriculture is the lead state agency for responding to and taking action with regard to pesticide incidents. if:

(1) a responsible party cannot be identified; or

(2) an identified responsible party cannot or will not comply with an order issued under subdivision 1.

Subd. 3. [EMERGENCY CORRECTIVE ACTION.] To assure an adequate response to an incident, the commissioner may take corrective action without following the procedures of subdivision 1 if the commissioner determines that the incident constitutes a clear and immediate danger requiring immediate action to prevent,

minimize, or mitigate damage to the public health and welfare or the environment. Before taking an action under this subdivision, the commissioner shall make all reasonable efforts, taking into consideration the urgency of the situation, to order a responsible party to take a corrective action and notify the owner of real property where the corrective action is to be taken.

Subd. 4. [LEAD AGENCY.] The department of agriculture is the lead state agency in taking corrective action for incidents.

Sec. 27. Minnesota Statutes 1988, section 18B.17, subdivision 2, is amended to read:

Subd. 2. [EDUCATION AND TRAINING AGREEMENTS.] For purposes of education and training only, the commissioner may enter into agreements or contracts with qualified public or private organizations that wish to offer training programs developed under this chapter. In addition, the commissioner may provide pesticide information and related educational materials to interested clientele and residents of Minnesota.

Sec. 28. Minnesota Statutes 1988, section 18B.18, is amended to read:

#### 18B.18 [INSPECTION.]

Subdivision 1. [ACCESS AND ENTRY.] (a) The commissioner, and the commissioner's agents, upon issuance presentation of a notice of inspection official department credentials, must be granted access at reasonable times without delay to (1) sites where a restricted use pesticide is used; (2) (1) where a person manufactures, formulates, distributes, uses, disposes of, stores, or transports a pesticide in violation of provisions of this chapter; and (3) to all sites (2) which the commissioner reasonably believes are affected, or possibly affected, by the use of a pesticide, rinsate, pesticide container, or device in violation of a provision of this chapter.

(b) The commissioner and commissioner's agents may enter sites for:

(1) inspection of equipment for the manufacture, formulation, distribution, disposal, or application of pesticides and the premises on which the equipment is stored;

(2) sampling of sites actually or reportedly exposed to pesticides;

(3) inspection of storage, handling, distribution, use, or disposal areas of pesticides or pesticide containers;

- (4) inspection or investigation of complaints of injury to humans, wildlife, domesticated animals, crops, or the environment;
- (5) sampling of pesticides;
- (6) observation of the use and application of a pesticide;
- (7) inspection of records related to the manufacture, distribution, storage, handling, use, or disposal of pesticides; and
- (8) investigating the source, nature, and extent of an incident, and the extent of the adverse effects on the environment; and
- (9) other purposes necessary to implement this chapter.

Subd. 2. [NOTICE OF INSPECTION SAMPLES AND ANALYSES.] Before leaving the premises inspected, The commissioner shall provide the owner, operator, or agent in charge with a receipt describing the suspected violation and any samples obtained. The commissioner shall also split any samples obtained and provide these to the owner, operator, or agent in charge for independent analysis if so desired. If an analysis is made of the samples, a copy of the results of the analysis must be furnished to the owner, operator, or agent in charge within 30 days of completion. If an analysis is not completed on the samples obtained, the commissioner shall notify the owner, operator, or agent in charge within 30 days of making this decision.

Subd. 3. [OBTAINING EVIDENCE.] In making inspections under this chapter, the commissioner may administer oaths, certify as to official acts, take and cause to be taken depositions of witnesses, issue subpoenas, and compel the attendance of witnesses and production of papers, books, documents, records, and testimony. If a person fails to comply with a subpoena lawfully issued, or a witness refuses to produce evidence or testify to a matter regarding which the person may be lawfully interrogated, the district court shall, upon application of the commissioner, compel obedience proceedings for contempt, as in the case of disobedience of the requirements of a subpoena issued by the court or a refusal to testify in the court.

Subd. 4. [REQUEST FOR INSPECTION.] A person who believes that a violation of this chapter has occurred may request an inspection by giving notice to the commissioner of the violation. The notice must be in writing, set forth with reasonable particularity the grounds for the notice, and be signed by the person. If upon receipt of the notice the commissioner reasonably believes that a violation occurred, the commissioner shall provide the party believed responsible with a copy of the request for investigation, excluding the name of the person who made the request, and notice of intent to investigate. The commissioner shall make a special inspection in

accordance with this section as soon as practicable to determine if a violation occurred. An inspection conducted because of a complaint may cover an entire site and is not limited to that portion of the site specified in the notice. If the commissioner determines that there are no reasonable grounds to believe that a violation occurred, the commissioner shall notify the person in writing of that determination.

Subd. 5. [REFUSAL TO PERMIT ENTRY.] Upon the refusal or anticipated refusal, based on a refusal to permit entrance on a prior occasion, of an owner, operator, or agent in charge to permit entry under this chapter, the commissioner may apply for an order in the district court in the county in which a site is located to compel a person with authority to permit the commissioner to enter and inspect the site.

Subd. 6. [SUBPOENA OF DEPARTMENTAL EMPLOYEES.] (a) Neither the commissioner nor any employee of the department, including those employees of other approved agencies providing services to the department, is subject to subpoena for purposes of expert witness testimony.

(b) Once an inspection file is closed by the commissioner, the commissioner shall, upon request from any person, certify as official department records any information contained in a file which is public information.

Subd. 7. [COSTS OF INVESTIGATION.] If an inspection or investigation reveals that a violation of this chapter has occurred, the commissioner may require the violator to pay the commissioner for the reasonable costs incurred by the commissioner in that inspection or investigation. The commissioner may enter an order for recovery of those costs.

Sec. 29. [18B:191] [RESPONSIBILITY FOR COSTS.]

Subdivision 1. [RESPONSIBLE PARTY.] (a) A responsible party is liable for the costs including administrative costs for corrective action under section 19. The commissioner may issue an order for recovery of those costs.

(b) A responsible party is liable for the costs of any destruction of wildlife. Payments of these costs must be deposited in the game and fish fund in the state treasury.

Subd. 2. [AVOIDANCE OF LIABILITY.] (a) A responsible party may not avoid liability by means of a conveyance of any right, title, or interest in real property or by any indemnification, hold harmless agreement, or similar agreement.

(b) This subdivision does not:

(1) prohibit a person who may be liable from entering an agreement by which the person is insured, held harmless, or indemnified for part or all of the liability;

(2) prohibit the enforcement of an insurance, hold harmless, or indemnification agreement; or

(3) bar a cause of action brought by a person who may be liable or by an insurer or guarantor, whether by right of subrogation or otherwise.

Subd. 3. [OWNER OF REAL PROPERTY.] An owner of real property is not a responsible party for an incident on the owner's property unless that owner:

(1) was engaged in manufacturing, formulating, transporting, storing, handling, applying, distributing, or disposing of a pesticide on the property;

(2) knowingly permitted a person to make regular use of the property for disposal of pesticides; or

(3) violated this chapter in a way that contributed to the incident.

Subd. 4. [COMPLIANCE WITH APPROVED LABELS OR LABELING.] (a) A pesticide user is not a responsible party for a use of a pesticide if the person has used the pesticide in accordance with its approved label or labeling and state laws, rules, and commissioner's orders.

(b) It is a complete defense for liability if the person has complied with the provisions in paragraph (a).

Subd. 5. [DEFENSES.] As a defense to a penalty or liability for damages, a person may prove that the violation was caused solely by an act of God, an act of war, or an act or failure to act that constitutes sabotage or vandalism, or any combination of these defenses.

Sec. 30. [18B.192] [APPORTIONMENT AND CONTRIBUTION.]

Subdivision 1. [RIGHT OF APPORTIONMENT; FACTORS.] A responsible party held liable under this chapter may have the trier of fact apportion liability among the responsible parties under this section. The burden is on each responsible party to show how that responsible party's liability should be apportioned. The trier of fact shall reduce the amount of damages in proportion to any amount of liability apportioned to the party recovering.

In apportioning the liability of a party under this section, the trier of fact shall consider the following:

(1) the extent to which that responsible party contributed to the incident;

(2) the amount of pesticide involved;

(3) the degree of toxicity of the pesticide involved;

(4) the degree of involvement of and care exercised by the responsible party in manufacturing, formulating, handling, storing, distributing, transporting, applying, and disposing of the pesticide;

(5) the degree of cooperation by the responsible party with federal, state, or local officials to prevent harm to the public health or the environment; and

(6) knowledge by the responsible party of the hazardous nature of the pesticide.

Subd. 2. [CONTRIBUTION.] If a responsible party is held liable under this chapter and establishes a proportionate share of the aggregate liability, the provisions of section 604.02, subdivisions 1 and 2, apply with respect to contribution and reallocation of any uncollectible amounts, except that an administrative law judge may also perform the functions of a court identified in section 604.02, subdivision 2.

#### Sec. 31. [18B.193] [ADMINISTRATIVE PENALTIES.]

Subdivision 1. [FACTORS.] In determining the size of the penalty, the commissioner shall give due consideration to the economic benefit gained by the person by allowing or committing the violation, the gravity of the violation in terms of actual or potential damage to the environment, and the violator's culpability, good faith, and history of violations.

Subd. 2. [DOLLAR LIMIT.] The commissioner may by administrative order assess penalties of up to \$5,000 for a violation of this chapter.

Subd. 3. [PAYMENT.] Penalties assessed under this chapter must be paid to the commissioner for deposit in the pesticide regulatory account. If a violator fails to pay a penalty which is part of a final order within 30 days, the commissioner may commence a civil action for double the assessed penalty and attorney fees and costs. A penalty may be recovered in a civil action in the name of the department brought in the district court of the county where the

violation is alleged to have occurred or the district court where the commissioner has an office.

Sec. 32. Minnesota Statutes 1988, section 18B.20, is amended by adding a subdivision to read:

Subd. 7. [EMPLOYER LIABILITY FOR EMPLOYEES.] Structural pest control applicators, commercial applicators, noncommercial applicators, and pesticide dealers are civilly liable for violations of this chapter by their employees and agents.

Sec. 33. [18B.205] [ADMINISTRATIVE COMPLIANCE.]

Subdivision 1. [CONTESTED ORDER.] After being served with an order, a person has at least 45 days from receipt of the order within which to notify the commissioner in writing that the person intends to contest the order. If the person fails to properly notify the commissioner that the person intends to contest the order, the order is a final order of the agency and not subject to review by any court or agency.

Subd. 2. [ADMINISTRATIVE REVIEW.] (a) If a person notifies the commissioner that the person intends to contest an order issued under this chapter, the state office of administrative hearings shall conduct a hearing in accordance with the applicable provisions of chapter 14 for hearings. A hearing shall be conducted at a place designated by the commissioner, within the county where the violation occurred, or where the person contesting the order resides or has a principal place of business or any other place on which all the parties agree.

(b) Notwithstanding any provision of chapter 14, the final administrative law report shall be the final decision of the agency. Only an administrative law judge, under rules adopted by the office of administrative hearings, may entertain an application for reconsideration of a final agency decision.

Subd. 3. [JUDICIAL REVIEW.] (a) The commissioner or any party aggrieved by a final agency decision may seek judicial review of a final agency decision under sections 14.63 to 14.69.

(b) Any additional evidence required by a reviewing court under section 14.67 shall be taken by an administrative law judge. Only an administrative law judge may change the agency decision or any findings contained in it. The administrative law judge shall file with the reviewing court the additional evidence, together with any modifications or new findings or decisions, as provided in section 14.67.

Subd. 4. [EXPENSES.] The commissioner may recover the rea-

reasonable expenses incurred by the commissioner or the attorney general in a contested case or an appeal from a contested case if the commissioner ultimately prevails in that matter. The commissioner's certification of expenses is prima facie evidence that the expenses are reasonable and necessary.

Sec. 34. Minnesota Statutes 1988, section 18B.21, is amended to read:

18B.21 [ADMINISTRATIVE ACTION REMEDIES FOR VIOLATIONS.]

Subdivision 1. [ADMINISTRATIVE REMEDIES.] The commissioner may seek to remedy violations of this chapter or the commissioner's orders by (1) a written warning, (2) an administrative meeting, (3) a cease and desist, stop-use, stop-sale, removal, administrative penalty, or other special order, or (4) a seizure, stipulation, or agreement, if the commissioner determines that the remedy is in the public interest.

Subd. 2. [REVOCAION AND SUSPENSION.] The commissioner may, after written notice and hearing, revoke, suspend, or refuse to grant or renew a registration, permit, license, or certification if a person violates a provision of this chapter or has a history, within the last three years, of violations of chapter 18A or 18B.

Subd. 3. [REMEDIAL ACTION ORDERS SERVICE OF ORDER OR NOTICE.] (a) If the commissioner has probable cause that a pesticide, pesticide container, rinsate, pesticide equipment, or device is being used, manufactured, distributed, stored, or disposed of in violation of a provision of this chapter, the commissioner may investigate and issue a written cease and desist, stop-sale, stop-use, or removal order or other remedial action to the owner, custodian, or other responsible party. If the owner, custodian, or other responsible party a person is not available for service of the an order, the commissioner may attach the order to the pesticide, pesticide container, rinsate, pesticide equipment, or device or facility and notify the owner, custodian, other responsible party, or the registrant. The pesticide, pesticide container, rinsate, pesticide equipment, or device may not be sold, used, or removed until the violation has been corrected and the pesticide, pesticide container, rinsate, pesticide equipment, or device has been released in writing under conditions specified by the commissioner, or until the violation has been otherwise disposed of by an administrative law judge, or a court.

(b) If a violation of a provision of this chapter results in conditions that may have an unreasonable adverse effect on humans, domestic animals, wildlife, or the environment, the commissioner may, by order, require remedial action, including removal and proper disposal.

Sec. 35. Minnesota Statutes 1988, section 18B.26, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] (a) A person may not use or distribute a pesticide in this state unless it is registered with the commissioner. Pesticide registrations expire on December 31 of each year and may be renewed on or before that date for the following calendar year:

(b) Registration is not required if a pesticide is shipped from one plant or warehouse to another plant or warehouse operated by the same person and used solely at the plant or warehouse as an ingredient in the formulation of a pesticide that is registered under this chapter.

(c) An unregistered pesticide that was previously registered with the commissioner may be used only with the written permission of the commissioner.

(d) Each pesticide with a unique EPA registration number or brand name must be registered with the commissioner.

Sec. 36. Minnesota Statutes 1988, section 18B.26, subdivision 3, is amended to read:

Subd. 3. [APPLICATION FEE.] (a) An application for initial registration and renewal must be accompanied by a nonrefundable application fee of ~~\$125~~ \$200 for each pesticide to be registered.

(b) An additional fee of \$100 must be paid by the applicant for each pesticide to be registered if the application is a renewal application that is submitted after December 31.

(c) ~~An additional fee of \$200 must be paid by the applicant for each pesticide distributed or used in the state before initial state registration.~~

Sec. 37. Minnesota Statutes 1988, section 18B.26, subdivision 5, is amended to read:

Subd. 5. [APPLICATION REVIEW AND REGISTRATION.] (a) The commissioner may not deny the registration of a pesticide because the commissioner determines the pesticide is not essential.

(b) The commissioner shall review each application and may approve, deny, or cancel the registration of any pesticide. The commissioner may impose state use or distribution restrictions on a pesticide as part of the registration to prevent unreasonable adverse effects on the environment.

(c) The commissioner must notify the applicant of the approval, denial, cancellation, or state use or distribution restrictions within 30 days after the application and fee are received.

(d) The applicant may request a hearing on any adverse action of the commissioner within 30 days after being notified by the commissioner.

Sec. 38. Minnesota Statutes 1988, section 18B.26, is amended by adding a subdivision to read:

Subd. 6. [WITHDRAWAL.] A person who intends to discontinue a pesticide registration must do one of the following to ensure complete withdrawal from distribution or further use of the pesticide:

(1) terminate a further distribution within the state and continue to register the pesticide annually for two successive years;

(2) initiate and complete a total recall of the pesticide from all distribution in the state within 60 days from the date of notification to the commissioner of intent to discontinue registration; or

(3) submit to the commissioner evidence adequate to document that no distribution of the registered pesticide has occurred in the state.

Sec. 39. [18B.281] [PESTICIDE EDUCATION AND TRAINING.]

Subdivision 1. [EDUCATION AND TRAINING.] The commissioner shall develop, in conjunction with the University of Minnesota extension service, unique and innovative educational and training programs addressing pesticide concerns including, but not limited to: (1) water quality protection; (2) endangered species; (3) pesticide residues in food and water; (4) worker protection; (5) chronic toxicity; (6) integrated pest management; and (7) pesticide disposal. Educational planning session committees must include representatives of industry and of the commissioner. Specific current regulatory concerns must be discussed and, where appropriate, incorporated into each training session. These training materials must be used as a parameter for all educational programs affected by any organization.

Subd. 2. [TRAINING MANUAL AND EXAMINATION DEVELOPMENT.] The commissioner, in conjunction with the University of Minnesota extension service, shall continually revise and update pesticide applicator training manuals and examinations. The manuals and examinations must be written to meet or exceed the minimum standards required by the United States Environmental Protection Agency and pertinent state-specific information. Questions in the examinations must be determined by the responsible

agencies. Manuals and examinations must include pesticide management practices that discuss prevention of pesticide occurrence in groundwaters of the state.

Subd. 3. [PESTICIDE APPLICATOR EDUCATION AND EXAMINATION REVIEW BOARD.] The commissioner shall establish and chair a pesticide applicator education and examination review board. This board shall meet at least once a year before the initiation of pesticide educational planning programs. The purpose of this board is to discuss topics of current concern that can be incorporated into pesticide applicator training sessions and appropriate examinations. This board shall review and evaluate the various educational programs recently conducted and recommend options to increase overall effectiveness. Membership on this board must represent industry, private, nonprofit organizations, and other governmental agencies, including the University of Minnesota, the pollution control agency, and the departments of health, natural resources, and transportation.

Sec. 40. Minnesota Statutes 1988, section 18B.31, subdivision 3, is amended to read:

Subd. 3. [LICENSE.] A pesticide dealer license:

(1) expires on December 31 of each year unless it is suspended or revoked before that date; and

(2) is not transferable to another person- or location; and

(3) must be prominently displayed to the public in the pesticide dealer's place of business.

Sec. 41. Minnesota Statutes 1988, section 18B.31, subdivision 5, is amended to read:

Subd. 5. [APPLICATION FEE.] (a) An application for a pesticide dealer license must be accompanied by a nonrefundable application fee of \$50.

(b) If an application for renewal of a pesticide dealer license is not filed before January 1 of the year for which the license is to be issued, an additional fee of \$20 must be paid by the applicant before the license is issued.

(c) A \$10 fee must be paid for the issuance of a duplicate pesticide dealer license.

Sec. 42. Minnesota Statutes 1988, section 18B.32, subdivision 2, is amended to read:

Subd. 2. [LICENSES.] (a) A structural pest control license:

(1) expires on December 31 of the year for which the license is issued; and

(2) is not transferable; and

(3) must be prominently displayed to the public in the structural pest controller's place of business.

(b) The commissioner shall establish categories of master, journeyman, and fumigator for a person to be licensed under a structural pest control license.

Sec. 43. Minnesota Statutes 1988, section 18B.33, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] (a) A person may not apply a pesticide for hire without a commercial applicator license for the appropriate use categories except a licensed structural pest control applicator.

(b) A person with a commercial applicator license may not apply pesticides on or into surface waters without an aquatic category endorsement on a commercial applicator license.

(c) A commercial applicator 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 commissioner shall prescribe the information required on the license identification card.

Sec. 44. Minnesota Statutes 1988, section 18B.33, subdivision 3, is amended to read:

Subd. 3. [LICENSE.] A commercial applicator license:

(1) expires on December 31 of the year for which it is issued, unless suspended or revoked before that date; and

(2) is not transferable to another person; and

(3) must be prominently displayed to the public in the commercial applicator's place of business.

Sec. 45. Minnesota Statutes 1988, section 18B.33, subdivision 7, is amended to read:

Subd. 7. [APPLICATION FEES.] (a) A person initially applying for or renewing a commercial applicator license as a business entity must pay a nonrefundable application fee of \$50, ~~except a person who is an employee of a business entity that has a commercial applicator license and is applying for or renewing a commercial applicator license as an individual~~ the nonrefundable application fee is \$25.

(b) If a renewal application is not filed before March 1 of the year for which the license is to be issued, an additional penalty fee of \$10 must be paid before the commercial applicator license may be issued.

(c) A \$10 fee must be paid for the issuance of a duplicate commercial applicator license.

Sec. 46. Minnesota Statutes 1988, section 18B.34, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] (a) Except for a licensed commercial applicator, certified private applicator, or licensed structural pest control applicator, a person, including a government employee, may not use a restricted use pesticide in performance of official duties without having a noncommercial applicator license for an appropriate use category.

(b) ~~A person with~~ A licensed noncommercial applicator license may not apply pesticides into or on surface waters without an aquatic category endorsement on the license.

(c) A licensee must have a valid license identification card when applying pesticides 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.

Sec. 47. Minnesota Statutes 1988, section 18B.34, subdivision 2, is amended to read:

Subd. 2. [LICENSE.] A noncommercial applicator license:

(1) expires on December 31 of the year for which it is issued unless suspended or revoked before that date; ~~and~~

(2) is not transferable; and

(3) must be prominently displayed to the public in the noncommercial applicator's place of business.

Sec. 48. Minnesota Statutes 1988, section 18B.34, subdivision 5, is amended to read:

Subd. 5. [FEES.] (a) A person initially applying for or renewing a noncommercial applicator license as a business entity must pay a nonrefundable application fee of \$50. ~~A person who is an employee of a business entity that has a noncommercial applicator license and is applying for or renewing a noncommercial applicator license as an individual must pay a nonrefundable application fee of \$25, except an applicant who is a government employee who uses pesticides in the course of performing official duties must pay a nonrefundable application fee of \$10.~~

(b) If an application for renewal of a noncommercial license is not filed before March 1 in the year for which the license is to be issued, an additional penalty fee of \$10 must be paid before the renewal license may be issued.

(c) A \$10 fee must be paid for the issuance of a duplicate noncommercial applicator license.

Sec. 49. Minnesota Statutes 1988, section 18B.36, is amended to read:

#### 18B.36 [PRIVATE APPLICATOR CERTIFICATION.]

Subdivision 1. [REQUIREMENT.] (a) Except for a licensed commercial or noncommercial applicator, only a person certified as a private applicator may use or supervise the use of a restricted use pesticide to produce an agricultural commodity:

(1) as a traditional exchange of services without financial compensation; or

(2) on a site owned, rented, or managed by the person or the person's employees.

(b) A private applicator may not purchase a restricted use pesticide without presenting a private applicator card or the card number.

Subd. 2. [CERTIFICATION.] (a) The commissioner shall prescribe certification requirements and provide training that meets or exceeds EPA standards to certify persons as private applicators and provide information relating to changing technology to help ensure a continuing level of competency and ability to use pesticides properly and safely. The training may be done through cooperation with other government agencies and must be a minimum of three hours in duration.

(b) A person must apply to the commissioner for certification as a private applicator. After completing the certification requirements, which must include an examination as determined by the commis-

sioner, an applicant must be certified as a private applicator to use restricted use pesticides. The certification is for a period of five three years from the applicant's nearest birthday.

(c) The commissioner shall issue a private applicator card to a private applicator.

Subd. 3. [FEES.] (a) A person applying to be certified as a private applicator must pay a nonrefundable \$10 application fee for the certification period.

(b) A \$5 fee must be paid for the issuance of a duplicate private applicator card.

Sec. 50. Minnesota Statutes 1988, section 18B.37, subdivision 1, is amended to read:

Subdivision 1. [PESTICIDE DEALER.] (a) A pesticide dealer must maintain records of all sales of restricted use pesticides as required by the commissioner. Records must be kept at the time of the sale on forms supplied by the commissioner or on the pesticide dealer's forms if they those forms are approved by the commissioner.

(b) Records must be submitted annually with the renewal application for a pesticide dealer license or upon request of the commissioner.

(c) Copies of records required under this subdivision must be maintained by the pesticide dealer for a period of five years after the date of the pesticide sale.

Sec. 51. Minnesota Statutes 1988, section 18B.37, subdivision 2, is amended to read:

Subd. 2. [COMMERCIAL AND NONCOMMERCIAL APPLICATORS.] (a) A commercial or ~~noncommercial~~ applicator, or the applicator's authorized agent, ~~must~~ shall maintain a record of pesticides used on each site. A noncommercial applicator, or the applicator's authorized agent, shall maintain a record of restricted use pesticides used on each site. The record must include the:

- (1) date of the pesticide use;
- (2) time the pesticide application was completed;
- (3) brand name of the pesticide, EPA registration number, and dosage used;
- (4) number of units treated;

- (5) temperature, wind speed, and wind direction;
  - (6) location of the site where the pesticide was applied;
  - (7) name and address of the customer;
  - (8) name and signature of the applicator, company name, license number of the applicator, and address, and signature of the applicator or company; and
  - (9) any other information required by the commissioner.
- (b) Portions of records not relevant to a specific type of application may be omitted upon approval from the commissioner.
- (c) All information for this record requirement must be contained in a single page document not to exceed five pages for each day's pesticide application, or individual site application. Portions of the required record may include a map to identify treated areas. Invoices An invoice containing the required information may constitute the required record.
- (d) A commercial applicator must give a copy of the record to the customer when the application is completed.
- (e) Records must be retained by the applicator, company, or authorized agent for five years after the date of treatment.

Sec. 52. Minnesota Statutes 1988, section 18B.37, subdivision 3, is amended to read:

Subd. 3. [STRUCTURAL PEST CONTROL APPLICATORS.] (a) A structural pest control applicator must maintain a record of each structural pest control application conducted by that person or by the person's employees. The record must include the:

- (1) date of structural pest control application;
- (2) target pest;
- (3) brand name of the pesticide, EPA registration number, and amount of pesticide used;
- (4) for fumigation, the temperature and exposure time;
- (5) time the pesticide application was completed;
- (6) name and address of the customer;

(6) (7) structural pest control applicator's company name and address, applicator's signature, and license number; and

(7) (8) any other information required by the commissioner.

(b) Invoices All information for this record requirement must be contained in a single page document for each pesticide application. An invoice containing the required information may constitute the record.

(c) Records must be retained for five years after the date of treatment.

(d) A copy of the record must be given to a person who ordered the application that is present at the site where the structural pest control application is conducted, placed in a conspicuous location at the site where the structural pest control application is conducted immediately after the application of the pesticides, or delivered to the person who ordered an application or the owner of the site.

Sec. 53. Minnesota Statutes 1988, section 18B.37, subdivision 4, is amended to read:

Subd. 4. [STORAGE, HANDLING, AND DISPOSAL PLAN.] A commercial, noncommercial, or structural pest control applicator or the licensed business that the applicator is employed by must develop and maintain a plan that describes its pesticide storage, handling, and disposal practices. The plan must be kept at a principal business site or location within this state and must be submitted to the commissioner upon request on forms provided by the commissioner. The plan must be available for inspection by the commissioner.

Sec. 54. [18B.375][RETAIL PESTICIDE HANDLERS LICENSE.]

Subdivision 1. [REQUIREMENT.] Except as provided in section 18B.31, a person may not distribute a pesticide without a retail pesticide handlers license.

Subd. 2. [RESPONSIBILITY.] A retail pesticide handler is responsible for the acts of a person who assists the handler in the distribution of pesticides.

Subd. 3. [LICENSE.] A retail pesticide handlers license:

(1) is for the period July 1 to June 30 of the following year and must be renewed annually by the licensee on or before July 1; and

(2) is not transferable from the person to whom the license was issued to another person or from one location to another location.

Subd. 4. [APPLICATION.] A person must apply to the commissioner for a retail pesticide handlers license on the forms and in the manner required by the commissioner. The commissioner must provide to the applicant educational materials and regulatory updates that will assist the dealer relating to pesticide recommendations, storage, handling, and use. Portions of these educational materials and regulatory updates must be given to purchasers of pesticide products by persons licensed as retail pesticide handlers.

Subd. 5. [APPLICATION FEE.] (a) An application for a retail pesticide handlers license from each fixed location within the state must be accompanied by a nonrefundable fee of \$25.

(b) If an application for renewal of a retail pesticide handlers license is not filed before June 30 of the year for which the license is to be issued, an additional fee of \$12.50 must be paid by the applicant before the license will be issued.

Sec. 55. [18B.41] [PESTICIDE MANAGEMENT PLAN.]

Subdivision 1. [PLAN SPECIFICATIONS.] The commissioner shall develop a pesticide management plan for the prevention, evaluation, and mitigation of occurrences of pesticides or pesticide breakdown products in groundwaters and surface waters of the state. The pesticide management plan must include components promoting prevention, developing appropriate responses to the detection of pesticides or pesticide breakdown products in groundwater and surface waters, and providing responses to reduce or eliminate continued pesticide movement to groundwater and surface water as outlined in subdivisions 3 to 8.

The pesticide management plan shall be coordinated and developed with other state agency plans and with other state agencies through the environmental quality board. In addition, farm organizations, farmers, environmental organizations, and industry shall be involved in the pesticide management plan development.

Subd. 2. [DEFINITIONS.] The definitions in this subdivision apply to this section.

(a) "Pesticide" means a pesticide active ingredient as defined in section 18B.01, subdivision 18, or the breakdown product or metabolite of the pesticide active ingredient.

(b) "Specific management plan" means a plan applied to a pesticide and may be specific to a pesticide-sensitive groundwater protection area that incorporates voluntary chemical and nonchemical activities, procedures, and practices or pesticide use restrictions established by the department of agriculture in consultation

with the University of Minnesota agricultural extension service due to determination of common detection of a pesticide in groundwater.

(c) "Nonpoint source" means the presence of a pesticide in groundwater or surface water from normal registered use of a pesticide.

(d) "Pesticide-sensitive groundwater protection areas" means a geographically definable area with characteristics of susceptibility to pesticide migration to groundwater and containing criteria as stipulated in article 1, section 5, subdivision 2.

(e) "Best management practices" means practices as defined in article 1, section 2, subdivision 2.

(f) "Water resources protection measures" has the meaning given it in article 1, section 2, subdivision 5.

(g) "Monitoring" means a program designed for the collection of data, through a network of groundwater quality sampling stations or surface water sampling points, for scientific inquiry and statistically significant analysis.

Subd. 3. [PESTICIDE-SENSITIVE GROUNDWATER PROTECTION AREAS.] The commissioner shall designate pesticide-sensitive groundwater protection areas based on criteria established in article 1, section 7, subdivision 2, and may involve cooperation with the department of natural resources, the pollution control agency, the University of Minnesota, and other pertinent local, state, or federal agencies. Pesticide-sensitive groundwater protection areas must be based on factors associated with susceptibility of groundwater to the leaching or direct movement of pesticides to the groundwater.

Upon designation of pesticide-sensitive groundwater protection areas the commissioner shall conduct an assessment of the likelihood of certain pesticides to migrate to groundwater. Determination of pesticide mobility must be based on the best currently available data and may involve pesticide registrants data and state and federal data bases. Mobile pesticide determination must include pesticide use, physiochemical properties, and previous groundwater detection information.

The commissioner shall increase regulatory efforts in pesticide-sensitive groundwater protection areas, provide additional and increased pesticide educational and training activities for prevention of movement of pesticides to water resources.

Subd. 4. [PESTICIDE USE INFORMATION.] The commissioner shall monitor urban and rural pesticide use on a biennial basis.

Information shall be collected and automated consistent with article 6, section 6.

Subd. 5. [BEST MANAGEMENT PRACTICES.] The commissioner shall promote best management practices that minimize the potential for pesticide movement to water resources throughout the state. Within a pesticide-sensitive groundwater protection area the commissioner shall promote additional appropriate best management practices and may consult with representatives of farmers, local and state agencies, the University of Minnesota, federal agencies, and the pesticide industry. The best management practices for agricultural and urban pesticide use must be practical and appropriate for implementation in the pesticide-sensitive groundwater protection areas. In addition to agronomic and horticultural best management practices, increased and expanded pesticide educational programs for counties with designated pesticide groundwater protection areas shall be provided.

Subd. 6. [EVALUATION OF DETECTION.] The commissioner shall evaluate the detection of pesticides in groundwaters of the state to determine the probable source and possible courses of action. Evaluation of the detection of the presence of a pesticide may include, but is not limited to, the following items:

(1) the methods of sample collection, handling, and confirmation mechanisms;

(2) the adherence of the reporting laboratory to good laboratory practices;

(3) the adequacy of the quality control and quality assurance programs;

(4) the physiochemical properties of the pesticide and their relationship, if any, to the detection;

(5) the general climatological, geographical, and hydrogeological factors that may impact the detection of the pesticide;

(6) the relationship of the concentration detected to the health based standard;

(7) the information available of the construction of the well from which the sample was obtained;

(8) the information available on pesticide use in the area;

(9) other potential pesticide sources; and

(10) the adherence to label directions, including precautions on the pesticide product label.

If conditions indicate a likelihood that the detection of the pesticide to be a result of normal registered use, the commissioner shall evaluate the need for increased promotion of best management practices and water resources protection measures to mitigate potential nonpoint source impact. Monitoring and subsequent evaluation shall occur on an as needed basis to determine if the pesticide is commonly detected and the potential nonpoint impacts of the pesticide in similar conditions.

Subd. 7. [SPECIFIC PESTICIDE MANAGEMENT PLAN.] The commissioner shall develop a specific pesticide management plan for a pesticide if the pesticide has been determined to be commonly detected in groundwater as a result of normal registered use following evaluation by the commissioner. Each specific pesticide management plan must be designed to minimize movement to groundwater through a series of efforts such as increased educational activities, increased training and certification, and increased enforcement activities.

The commissioner shall develop and implement a focused groundwater monitoring and hydrogeologic evaluation following common pesticide detection to evaluate contamination frequency and concentration trend. Assessment of the site-specific and pesticide-specific conditions and the likelihood of common detection must include monitoring, pesticide use information, physical and chemical properties of the pesticide hydrogeologic information and review of information, and data from other local, state, or federal monitoring data bases.

The specific pesticide management plan must be developed following evaluation, increased monitoring efforts, and site-specific and pesticide-specific information. The specific management plan must include best management practices and water resources protection measures and pesticide use restrictions commensurate with applicable information obtained by the commissioner, the severity of the groundwater contamination and the trend assessment. The specific pesticide management plan must involve the registrant and be coordinated with the department of natural resources, the pollution control agency, the University of Minnesota agricultural extension service, the Minnesota environmental education board, the environmental quality board, the state planning agency, the department of health, the board of water and soil resources, and may include consultation with appropriate federal agencies, local governmental units, farm organizations, and the pesticide industry. The specific pesticide management plan shall be updated at no more than two-year intervals.

Subd. 8. [ACTIONS TO COMMON DETECTIONS WITH CON-

CENTRATIONS OR TRENDS GREATER THAN HEALTH LIMITS.] The commissioner shall impose additional use restrictions, or label modifications or cancel a pesticide use when:

(1) common detections of pesticides exceed previous or newly established limits as described in article 1, section 5 or, where applicable, state drinking water standards; or

(2) if trend analysis indicates that common detections will exceed limits as described in article 1, section 5 or, where applicable, state drinking water standards notwithstanding implementation of best management practices and water resources protection measures or previous use restrictions.

Restrictions may include limitations on product purpose, rate, time of application, frequency of application, method of application, application to soil types or crops, or geographic area of application. Restrictions may be altered based on continued trend analysis of common pesticide detections.

Subd. 9. [RULES.] The commissioner shall adopt permanent rules necessary to implement this section. The rules must contain at a minimum:

(1) an education and information plan to promote pesticide best management practices and water resources protection measures in pesticide-sensitive groundwater protection areas;

(2) investigation and monitoring procedures to assess unusual pesticide detections in groundwater;

(3) procedures to implement best management practices and water resources protection measures, increased monitoring, and trend evaluation following the common detection of pesticides; and

(4) regulatory actions to be taken if trend analysis or common detections indicate exceedance of limits as described in article 1, section 5 or, where appropriate, state drinking water standards.

Sec. 56. [PESTICIDE CONTAINER COLLECTION AND RECYCLING PILOT PROJECT.]

Subdivision 1. [PESTICIDE; DEFINITION.] For the purposes of this section, "pesticide" means a substance or mixture of substances intended to prevent, destroy, repel, or mitigate a pest, and a substance or mixture of substances intended for use as a plant regulator, defoliant, or desiccant.

Subd. 2. [PROJECT.] The department of agriculture, in consultation and cooperation with the commissioner of the pollution control

agency, shall design and implement a pilot collection project, to be completed by June 30, 1991, to:

(1) collect, recycle, and dispose of empty, triple-rinsed pesticide containers;

(2) develop, demonstrate, and promote proper pesticide container management; and

(3) evaluate the current pesticide container management methods and the cause and extent of the problems associated with pesticide containers.

Subd. 3. [COLLECTION AND DISPOSAL.] The department of agriculture shall provide for the establishment and operation of temporary collection sites for pesticide containers. The department may limit the type and quantity of pesticide containers acceptable for collection.

Subd. 4. [INFORMATION AND EDUCATION.] The department shall develop informational and educational materials to promote proper methods of pesticide container management.

Subd. 5. [REPORT.] During the pilot project, the department of agriculture shall conduct surveys and collect information on proper and improper pesticide container storage and disposal. By November 30, 1991, the department shall report to the legislature its conclusions from the project and recommendations for additional legislation or rules governing management of pesticide containers.

Subd. 6. [MANAGEMENT AND DISPOSAL.] The department of agriculture or other entity collecting pesticide containers must manage and dispose of the containers in compliance with applicable federal and state requirements.

Sec. 57. [REVISOR'S INSTRUCTION.]

In the next and subsequent editions of Minnesota Statutes, the sections in column A shall be renumbered as the sections in column B.

Column A

18A.49

18B.08

18B.15

18B.18

18B.20

18B.21

18B.22

Column B

18B.40

18B.285

18B.19

18B.15

18B.21

18B.18

18B.20

Cross-references to these sections within Minnesota Statutes must also be corrected.

Sec. 58. [REPEALER.]

Minnesota Statutes 1988, sections 18B.16; 18B.19; 18B.20, subdivision 6, are repealed.

#### ARTICLE 4

#### WASTE PESTICIDE COLLECTION

Section 1. [115.84] [DEFINITIONS.]

Subdivision 1. [COLLECTION SITE.] "Collection site" means a permanent or temporary designated location with scheduled hours for collection where pesticide end users may bring their waste pesticides.

Subd. 2. [LOCAL UNIT OF GOVERNMENT.] "Local unit of government" means a statutory or home rule charter city, town, county, soil and water conservation district, watershed district, any other special purpose district, and local or regional board.

Subd. 3. [PESTICIDE.] "Pesticide" means a substance or mixture of substances intended to prevent, destroy, repel, or mitigate a pest, and a substance, mixture, or substances intended for use as a plant regulator, defoliant, or desiccant.

Subd. 4. [PESTICIDE END USER.] "Pesticide end user" means a farmer or other person who owns a pesticide. Pesticide end user does not include the manufacturer, formulator, or packager.

Subd. 5. [WASTE PESTICIDE.] "Waste pesticide" means a pesticide that the pesticide end user considers a waste. A waste pesticide can be a canceled pesticide, an unusable pesticide, or a usable pesticide.

Sec. 2. [115.84] [WASTE PESTICIDE COLLECTION PROGRAM.]

Subdivision 1. [COLLECTION AND DISPOSAL.] The agency shall establish and operate a program to collect and dispose of waste pesticides. The program shall be made available to pesticide end users whose waste generating activity occurs in the state of Minnesota.

Subd. 2. [IMPLEMENTATION.] In conducting the program the agency will comply with all applicable federal and state laws. The agency may obtain a United States Environmental Protection Agency hazardous waste identification number to manage the waste pesticides collected. The agency may limit the type and quantity of waste pesticides accepted for collection and may assess pesticide end users for portions of the costs incurred.

Subd. 3. [INFORMATION AND EDUCATION.] The agency shall provide informational and educational materials regarding waste pesticides and the proper management of waste pesticides to the public.

Subd. 4. [DEPARTMENT OF AGRICULTURE.] The agency shall develop the program in this section in consultation and cooperation with the commissioner of agriculture.

Subd. 5. [WASTE PESTICIDE COLLECTION ACCOUNT.] A waste pesticide account is established in the state treasury. All assessments received under subdivision 2 shall be deposited in the state treasury and credited to the waste pesticide account and are appropriated to the agency to pay for costs incurred to implement this program.

Subd. 6. [AUTHORITY.] The agency may adopt rules to administer this section.

Subd. 7. [COOPERATIVE AGREEMENTS.] The agency may enter into cooperative agreements with state and local units of government for administration of the collection program.

## ARTICLE 5

### WATER SUPPLY MONITORING AND PROTECTION

#### Section 1. [144.389] [SAFE DRINKING WATER FEES.]

Subdivision 1. [FEE SETTING.] Every owner of a residential service connection to a public water supply must pay to the public water supply an annual fee of \$3.20. Every owner of a nonresidential service connection to a public water supply must pay an annual fee of \$20 to the public water supply. The fee may be adjusted by the commissioner of health according to section 16A.128. However, no public hearing is required for an adjustment.

Subd. 2. [PAYMENT AND COLLECTION OF FEE.] Fees paid by the supply shall be based on the total number of the supply's service connections to be verified every two years. The public water supply shall pay the fees to the department of health for deposit in the state

treasury. The supply shall pay one-fourth of the total yearly fee to the state once each calendar quarter. The first quarterly payment is due on or before September 30, 1989. In lieu of quarterly payments, a water supplier with fewer than 50 service connections may make a single annual payment by June 30 of each year, starting in 1990. The public water supply shall pay the fees to the department of health for deposit in the state treasury as nondedicated general fund revenues.

Sec. 2. Minnesota Statutes 1988, section 156A.01, is amended to read:

156A.01 [LEGISLATIVE INTENT.]

It is ~~The legislative intent and purpose in~~ of sections 156A.01 to ~~156A.08~~ 156A.09 is to reduce and minimize the waste of ~~ground water~~ groundwater resources within this state by reasonable legislation in licensing of drillers or makers of water wells and the regulation of exploratory borings in Minnesota and to. Sections 156A.01 to 156A.09 are also intended to protect the health and general welfare by providing a means for the development and protection of the natural resource of underground water in an orderly, sanitary and reasonable manner. ~~In furtherance of the above intents and purposes,~~ To carry out the intent of sections 156A.01 to 156A.09 and in recognition of the effects of that exploration and mining of metallic minerals have on ground water groundwater resources, the legislature finds that it is necessary to require submission to the state of factual data generated by exploratory borings to the state, for the purpose of controlling: (1) control possible adverse environmental effects of mining, to; (2) preserve the natural resources, and to; (3) encourage the planning of future land utilization, while at the same time promoting; (4) promote the orderly development of mining, the encouragement of; (5) encourage good mining practices,; and the recognition (6) recognize and identification of identify the beneficial aspects of mining.

Sec. 3. Minnesota Statutes 1988, section 156A.02, is amended to read:

156A.02 [DEFINITIONS; EXCLUSIONS.]

Subdivision 1. For the purposes of sections 156A.01 to ~~156A.08~~ 156A.09, the following terms have the meanings given them in this section.

Subd. 1a. [WATER WELL.] "Water well" means any excavation that is drilled, cored, bored, washed, driven, dug, jetted, or otherwise constructed when the ~~intended use of the same excavation is intended for the location, diversion, artificial recharge, or acquisition extraction of groundwater; provided, however, that the term.~~ Water well includes monitoring well as defined in subdivision 13.

Water well does not include excavation by backhoe, or otherwise for temporary dewatering of groundwater for nonpotable use during construction, where the depth thereof of the excavation is 25 feet or less; nor shall does it include an excavation other than exploratory boring made for the purpose of obtaining to obtain or prospecting prospect for oil, natural gas, minerals, or products of mining or quarrying, or for the inserting excavation to insert media to repressure oil or natural gas bearing formations or for storing to store petroleum, natural gas, or other products; nor an excavation for nonpotable use for wildfire suppression activities.

Subd. 1b. [DEPARTMENT.] "Department" means the department of health.

Subd. 1c. [DEWATERING WELL.] "Dewatering well" means any water well that is used to lower the groundwater level or piezometric surface and maintain the level or piezometric surface at a predetermined depth.

Subd. 2. [WATER WELL CONTRACTOR OR CONTRACTOR.] For the purposes of sections 156A.01 to 156A.08, "Water well contractor" and "contractor" means any person, firm, copartnership partnership, association or corporation, who shall construct constructs, abandon, or repair repairs, or seals a water well or seals a water well upon land other than its own for compensation.

Subd. 2a. [WATER WELL DRILLING MACHINE.] "Water well drilling machine" means any machine or device such as a cable tool, rotary, hollow rod, or auger, used for construction, abandonment, or repair, or sealing of a water well or a hole excavated for an elevator or a hydraulic cylinder.

Subd. 3. Sections 156A.01 to 156A.08 shall not require licensing of (1) an individual who drills a water well on land which is owned or leased by the individual and is used by the individual for farming or agricultural purposes or as the individual's place of abode, or (2) to an individual who performs labor or services for a water well contractor in connection with the drilling, abandonment, or repair of a water well at the direction and at the personal supervision of a licensed water well contractor; provided, however, that the individual shall comply with all other provisions of sections 156A.01 to 156A.08 and with any rule or well code adopted thereunder.

Subd. 4. [EXPLORER.] For the purposes of sections 156A.01 to 156A.08 "Explorer" means a person who has the right to drill any exploratory boring.

Subd. 5. [EXPLORATORY BORING.] For the purposes of sections 156A.01 to 156A.08 "Exploratory boring" means any surface drilling done for the purpose of exploring to explore or prospecting prospect for oil, natural gas, and metallic minerals, including but

not limited to the following: iron, copper, zinc, lead, gold, silver, titanium, vanadium, nickel, cadmium, molybdenum, chromium, manganese, cobalt, zirconium, beryllium, thorium, uranium, aluminum, platinum, palladium, radium, tantalum, tin, and niobium. "Exploratory boring" does not include drilling done in the Biwabik iron formation in relation to natural iron ore or activities regulated pursuant according to section 298.48.

Subd. 6. [GROUNDWATER THERMAL EXCHANGE DEVICE.] For the purposes of sections 156A.02 to 156A.10 "Groundwater thermal exchange device" means any heating or cooling device, the operation of which is dependent upon extraction and reinjection of groundwaters from an independent aquifer. Thermal exchange devices licensed under this chapter shall be sealed against the introduction of any foreign substance into the system, but shall be so constructed as to permit periodic inspection of water quality and temperature.

Subd. 7. [VERTICAL HEAT EXCHANGER.] For the purposes of sections 156A.02 to 156A.11 "Vertical heat exchanger" means any earth-coupled heating or cooling device consisting of a sealed piping system installed vertically in the ground for the purpose of transferring to transfer heat to or from the surrounding earth.

Subd. 8. [COMMISSIONER.] "Commissioner" means the commissioner of health.

Subd. 9. [DELEGATED AGENCY.] "Delegated agency" means a board of health as defined in chapter 145A that has an agreement with the commissioner of health to perform all or part of the inspection, reporting, and enforcement duties authorized under provisions of this chapter and the water well construction code as defined in subdivision 15, pertaining to the permitting, construction, repair, and sealing of water wells and holes excavated to install elevator shafts and hydraulic cylinders.

Subd. 10. [ELEVATOR SHAFT.] "Elevator shaft" means any bore hole, jack hole, drilled hole, or excavation constructed to install an elevator shaft or hydraulic cylinder for elevators.

Subd. 11. [ELEVATOR SHAFT CONTRACTOR.] "Elevator shaft contractor" means a person, firm, partnership, or corporation licensed by the commissioner to drill or excavate holes to install elevator shafts and hydraulic cylinders.

Subd. 12. [ENVIRONMENTAL BORE HOLE.] "Environmental bore hole" means a hole drilled, cored, bored, washed, driven, dug, or jetted in the ground used to monitor chemical, radiological or biological contaminants. An environmental bore hole does not include any other well, boring, or other excavation as defined in this chapter.

Subd. 13. [LIMITED WATER WELL CONTRACTOR.] "Limited water well contractor" means a person, firm, partnership, association, or corporation licensed to perform one or more of the following activities:

- (1) modify or repair well casings, well screens, or well diameters;
- (2) construct unconventional wells such as drive points or dug wells;
- (3) seal wells;
- (4) install water well pumps or pumping equipment; or
- (5) excavate holes for installation of elevator shafts or hydraulic cylinders for elevators.

Subd. 14. [MONITORING WELL.] "Monitoring well" means any excavation that is drilled, cored, bored, washed, driven, dug, jetted, or otherwise constructed for the purpose of extracting groundwater for physical, chemical, or biological testing. Monitoring well includes water wells installed to measure groundwater levels or to test hydrologic properties in an area being investigated for potential or existing groundwater contamination.

Subd. 15. [MONITORING WELL CONTRACTOR.] "Monitoring well contractor" means a person who is registered by the department to construct monitoring wells and who is a professional engineer registered according to sections 326.02 to 326.15 in the branches of civil or geological engineering, or a geologist certified by the American Institute of Professional Geologists.

Subd. 16. [WELLHEAD PROTECTION AREA.] "Wellhead protection area" means the surface and subsurface area surrounding a water well or well field that supplies a public water system, through which contaminants are likely to move toward and reach the water well or well field.

Subd. 17. [WELL CERTIFICATE.] "Well certificate" means the certificate containing information required under section 156A.043, subdivision 4. A well certificate is submitted at the time of property sale or transfer to the county recorder and subsequently to the department of health.

Subd. 18. [DRIVE POINT WELL.] "Drive point well" means a well constructed by forcing a pointed well screen, attached to sections of pipe, into the ground. The screen and casing are forced or driven into the ground with a hammer, maul, or weight. Drive points are typically installed in 1¼ to two inch casings, soft formations, and shallow aquifers.

Sec. 4. Minnesota Statutes 1988, section 156A.03, is amended to read:

156A.03 [REGULATION AND LICENSING.]

Subdivision 1. [COMMISSIONER OF HEALTH REGULATES WATER WELL WORK AND MONITORING WELL WORK AND EXCAVATION FOR ELEVATOR SHAFTS AND HYDRAULIC CYLINDERS.] The state commissioner of health shall regulate and license the: (1) drilling and, constructing, and repair of all water wells within this state; (2) sealing of unused wells; (3) installing of water well pumps and pumping equipment; (4) excavating or drilling holes for the installation of elevator shafts and hydraulic cylinders for elevators and sealing of holes excavated for the installation of elevator shafts and hydraulic cylinders for elevators; and (5) installing and sealing environmental bore holes. The commissioner of health shall examine and license water well contractors and limited water well contractors, and elevator shaft contractors and shall examine and register monitoring well contractors. After consultation with the commissioner of natural resources and the pollution control agency, the commissioner shall establish standards for the design, location, construction, abandonment, and repair and sealing of water wells within this state. As provided in section 156A.071, the commissioner shall license explorers engaged in exploratory boring and shall examine individuals who supervise or oversee exploratory boring.

Subd. 2. [WATER WELL CONTRACTORS MUST BE LICENSED.] No contractor person shall drill, construct, abandon, or repair a water well within this state unless in possession of a valid license to do so issued annually by the state commissioner of health. An applicant who is otherwise qualified but who does not have practical field experience in the operation of conventional drilling machines such as a cable tool, rotary, hollow rod, or auger, but who does install unconventional wells such as drive point, or who is in the well repair service which involves modification to the well casing, screen, depth, or diameter below the upper termination of the well casing, shall have the license limited to such water well contracting work.

A person who desires to drill, construct, repair, or seal one or more wells in this state must apply to the commissioner of health for a water well contractor's license. In the application, the person must set out qualifications for the license, the equipment the person will use in the contracting, and other information required by the commissioner. The application must be on forms prescribed by the commissioner. The commissioner shall charge a fee of \$50 according to section 144.122 for the filing of the application by any person. The commissioner shall not act upon any application until the fee has been paid. When the commissioner has approved the application, the applicant shall take an examination given by the commissioner.

Subd. 2a. [LIMITED LICENSES REQUIRED FOR CERTAIN WORK.] (a) A limited water well contractor, as defined in section 156A.02, subdivision 12, may obtain a license limited to the following work:

(1) modifying or repairing well casings, well screens, or well diameters;

(2) constructing unconventional wells such as drive points or dug wells;

(3) sealing wells; or

(4) installing water well pumps or pumping equipment; or

(5) excavating holes to install elevator shafts or hydraulic cylinders for elevators.

(b) After December 31, 1989, no person shall perform the work described in this subdivision, within this state, unless the individual possesses a valid license issued annually by the commissioner of health. A person performing the work under this section must apply to the commissioner for a license. In the application, the person must set out qualifications for the license, the equipment the person will use in the contracting, and other information required by the commissioner. The application must be on forms prescribed by the commissioner. The commissioner shall charge a fee of \$50 for the filing of the application. The commissioner shall not act upon an application until the fee has been paid. When the commissioner has approved the application, the applicant shall take an examination given by the commissioner. All of the conditions in paragraph (a) apply to persons excavating holes to install elevator shafts or hydraulic cylinders for elevators except that the license requirement applies after December 1990.

Subd. 3. [EXEMPTION FROM LICENSING MONITORING WELL CONTRACTORS MUST BE REGISTERED.] A professional engineer registered pursuant to the provisions of sections 326.02 to 326.15, in the branches of civil or geological engineering, shall not be required to be licensed as a water well contractor under the provisions of this section to drill test borings or to install piezometer wells for engineering purposes, or to construct groundwater quality sampling and monitoring wells as defined in rules promulgated by the commissioner. Test holes, piezometer wells installed for engineering purposes, and other wells described by this subdivision, shall be constructed, maintained and abandoned in accordance with this chapter and the rules promulgated thereunder.

Any A professional engineer or certified geologist engaged in the practice of constructing groundwater quality sampling and monitor-

ing wells as described in ~~this subdivision~~ section 3, subdivision 13, shall register with the commissioner on forms provided by the commissioner.

After December 31, 1990, a person seeking initial registration as a monitoring well contractor under this subdivision must meet examination and experience requirements that the commissioner establishes in rule.

Subd. 4. [EXEMPTIONS FROM LICENSING REQUIREMENTS.] (a) Sections 156A.01 to 156A.09 do not require licensing of (1) an individual who drills a water well on land that is owned or leased by the individual and is used by the individual for farming or agricultural purposes or as the individual's place of abode, or (2) an individual who performs labor or services for a water well contractor in connection with the drilling, repair, or sealing of a water well at the direction and at the personal supervision of a licensed water well contractor. An individual exempt under this subdivision must comply with sections 156A.01 to 156A.09 and with any rule adopted under those sections.

(b) Test holes, piezometer wells installed for engineering purposes, and other wells described by this subdivision, shall be constructed, maintained, and sealed according to sections 156A.01 to 156A.09, and the rules adopted under those sections.

Subd. 5. [BONDING REQUIREMENTS.] As a condition of licensing water well contractors, limited water well contractors or registering monitoring well contractors under this section, a person seeking a license or registration shall give a \$10,000 bond to the state. The bond shall be conditioned upon the faithful and lawful performance of work contracted for or performed by the person in Minnesota. The bond shall be for the benefit of persons injured or suffering financial loss by reason of failure of the performance. The bond shall be in lieu of all other license bonds to any political subdivision of the state. The bond shall be written by a corporate surety licensed to do business in Minnesota.

Subd. 6. [LICENSE AND REGISTRATION FEE; ISSUANCE OF LICENSE OR REGISTRATION.] On successfully passing the examination for original license or registration required under subdivision 2 or 3, and showing evidence of bonding required in subdivision 5, the applicant shall submit to the commissioner a license fee of \$250 or a registration fee of \$50. Upon receiving the fee and bond information, the commissioner may issue a license or registration.

Subd. 7. [NONTRANSFERABILITY OF LICENSES AND REGISTRATION; RENEWAL PROCEDURES.] A license or registration issued under this section is not transferable. The person licensed or registered must submit to the commissioner an application to renew the license or registration on a date set by the commissioner. The

renewal application must be accompanied by a fee set by the commissioner under section 144.122. The application must also include documentation that the person has met requirements for continuing education that the commissioner establishes by rule. The person must also pay a penalty fee set by the commissioner under section 144.122 if the person submits the renewal application after the required renewal date. If a person submits a renewal application after the required renewal date, the person shall not perform the work for which the person was licensed or registered from the renewal date until the date the person submits an application, fee, and penalty fee.

Subd. 8. [REGISTRATION OF DRILLING MACHINES REQUIRED.] As part of the application for licensing or registration, or annual renewal of a license or registration, a person licensed or registered under this section must pay an annual fee of \$100 for the registration with the commissioner of each drilling machine used to construct water wells and monitoring wells and to excavate holes for elevator shafts or hydraulic cylinders, and \$50 for the registration of each machine such as a pump hoist used to repair wells, seal wells, or install pumps.

Subd. 9. [FEES DEPOSITED WITH STATE TREASURER.] Fees collected for licenses or registration under this section shall be submitted to the department for deposit in the general fund.

Subd. 10. [RECIPROCITY.] The commissioner may license or register, without giving an examination, a person who is licensed or registered in any state, territory, or possession of the United States, or any foreign country, if: (1) the requirements for licensing or registration under which the water well contractor was licensed or registered do not conflict with sections 156A.01 to 156A.09; (2) the requirements are of a standard not lower than that specified by the rules adopted under sections 156A.01 to 156A.09; and (3) equal reciprocal privileges are granted to licensees of this state. A person who seeks a license or registration under this subdivision must apply for the license or registration and pay the fees required under this section.

Subd. 11. [POLITICAL SUBDIVISIONS CANNOT REQUIRE ADDITIONAL LICENSES OR REGISTRATION.] No political subdivision shall require a person licensed or registered under this section to pay a license or registration fee. However, a political subdivision shall be provided upon request with a list of licensed water well contractors, limited water well contractors, elevator shaft contractors, and monitoring well contractors.

Sec. 5. [156A.041] [REQUIREMENTS FOR WATER WELL AND MONITORING WELL CONSTRUCTION AND SEALING AND ELEVATOR SHAFT EXCAVATION AND SEALING.]

Subdivision 1. [WRITTEN CONTRACT REQUIRED.] A person licensed or registered under sections 156A.01 to 156A.09 shall not construct or seal a well or excavate or seal a hole for an elevator shaft or hydraulic cylinder until the well owner or owner of the property on which the water well or hole for the elevator shaft or hydraulic cylinder is located and the person signs a written contract that describes the nature of the work to be performed and the estimated cost of the work. A person may not construct a monitoring well until the owner of the property on which the well is located and the well owner sign a written contract that describes the nature of the work to be performed, the estimated cost of the work, and provisions for sealing the well.

Subd. 2. [PERMIT REQUIRED.] After December 31, 1989, a person shall not construct a water well, dewatering well, or a monitoring well, and after December 31, 1990, excavate a hole to install an elevator shaft or hydraulic cylinder for an elevator, until the commissioner of health or delegated agency issues a permit for construction. If an initial well is unsuccessful, the permit shall be modified to indicate the location of the successful well. No other permit may be required by a county or municipality. The commissioner of health may adopt rules that modify the procedures for applying for a permit for construction when conditions arise that endanger the public health and welfare or cause a need to protect the groundwater and those conditions require the monitoring well contractor, elevator shaft contractor, or well contractor to begin constructing a water well or hole for an elevator shaft or hydraulic cylinder before obtaining a permit. The owner of a well shall obtain an annual maintenance permit for:

(1) a water well that is used less than 28 days a year as a primary source of water for domestic, agricultural, commercial, industrial or public use;

(2) a monitoring well that is used for more than 12 months after completion of construction;

(3) a water well used as a secondary or a backup source of water located on a property served by a public water supply; or

(4) a dewatering well that is used for more than 12 months after completion of construction.

Subd. 3. [WATER WELLS MUST BE IDENTIFIED.] When a water well has been constructed, the contractor shall attach to the well a label showing the unique well number, the depth of the well, the contractor's name, and the date the well was constructed.

Subd. 4. [NONCONFORMING MONITORING WELL.] Any monitoring well whose casing is completed less than 12 inches above grade, may only be constructed if there is no alternative location for

constructing a well that ends at least 12 inches above grade. All these monitoring wells must be constructed and sealed in accordance with rules to be adopted by the commissioner.

(a) A plan describing the proposed location and construction of the monitoring well shall be submitted for review and approval by the commissioner before construction. A \$150 fee shall accompany the plan.

(b) After December 31, 1989, a person shall not construct a nonconforming monitoring well until the commissioner of health or delegated agency issues a permit for construction. The owner of a nonconforming monitoring well shall obtain an annual maintenance permit for a well that is used for more than 12 months after completion of construction.

Subd. 5. [DISTANCE REQUIREMENTS FOR SOURCES OF CONTAMINATION.] No person may place, construct, or install an actual or potential source of contamination any closer to a well than the isolation distances set in the Minnesota water well code adopted under section 156A.05 unless a variance has been issued by the commissioner according to the procedures in the water well construction code.

Subd. 6. [WHEN A WATER WELL MUST BE SEALED.] A water well must be permanently sealed according to the water well construction code if any or all of the following conditions exist:

(1) the water well is contaminated;

(2) the water well has not been sealed according to the rules of the commissioner;

(3) the water well is located, constructed, or maintained in such a manner that its continued use or existence endangers the quality of the groundwater or provides a health or safety hazard;

(4) the water well does not produce water because it is not equipped with an operable pump or the electrical supply has been disconnected from the well, or

(5) the water well has construction failure that may include holes in the casing, collapsed hole, plugged screens, or pumps only sediment or sand.

Subd. 7. [REPORT OF WORK.] Within 30 days after completion or sealing of a well or completion of an excavation for or sealing of an elevator shaft or hydraulic cylinder, a person licensed or registered under this chapter or a person exempt under section 156A.03, subdivision 4, paragraph (a), clause (1), shall submit to the commis-

sioner of health a verified report upon forms provided by the commissioner. The report must contain the following information: (1) the name and address of the owner of the well, elevator shaft or hydraulic cylinder shaft and the actual location of the well or elevator shaft or hydraulic cylinder shaft; (2) a log of the materials and water encountered in connection with drilling, and related pumping tests; and (3) other information the commissioner may require concerning the drilling or sealing of the well or hole for an elevator shaft or hydraulic cylinder. Within 30 days after receiving the report, the commissioner of health shall send one copy of the report to the commissioner of natural resources, the local soil and water conservation district within which the well or elevator shaft or hydraulic cylinder shaft is located, and one copy to the director of the Minnesota geological survey.

Sec. 6. [156A.042] [ENVIRONMENTAL BORE HOLES.]

Any environmental bore hole shall be constructed, sealed, and reported in accordance with rules to be adopted by the commissioner.

Sec. 7. [156A.043] [RIGHTS AND DUTIES OF OWNER OF PROPERTY ON WHICH A WATER WELL IS LOCATED.]

Subdivision 1. [PERMITS AND FEES FOR WATER WELLS AND HOLES EXCAVATED TO INSTALL ELEVATOR SHAFTS OR HYDRAULIC CYLINDERS FOR ELEVATORS.] The owner of the property on which a well is located must obtain a permit for well construction from the commissioner or delegated agency. The owner must pay a fee of \$150 for a new well drilled with pumping capacity of less than 50 gallons a minute; and \$300 for wells with pumping capacity of 50 gallons a minute or more. The owner of a well that is unsealed and that meets any of the conditions in section 5, subdivision 2, must pay an annual maintenance permit fee of \$50.

The owner of the property on which water wells are constructed for the purpose of dewatering shall pay a permit fee of \$50 for each well constructed. A dewatering project comprising more than ten wells shall be issued a single permit for \$500. All the wells constructed for a project must be recorded on the permit.

The owner of the property with dewatering wells operating for more than 12 months after completion of construction must pay an annual maintenance permit fee of \$25 for each well.

For monitoring wells and nonconforming monitoring wells, the owner of the land on which a monitoring well is located must obtain a permit for each well. The fee for construction of monitoring wells is \$50 for each well. The property owner must annually renew the permit and pay a maintenance fee of \$25 for each well.

For excavating holes for the purpose of installing elevator shafts or hydraulic cylinders for elevators, the owner of the property must obtain a permit for each hole to be excavated. The fee for excavating holes for elevator shafts or hydraulic cylinders for elevators is \$150 for each hole.

Subd. 2. [DISCLOSURE OF WELLS TO BUYER.] Effective July 1, 1990, before signing an agreement to sell or transfer property, the seller or transferor shall disclose in writing to the buyer or transferee information about the status and the location of all wells on the property, including the town, range, section, and quartile. In the disclosure, the seller or transferor must indicate, for each well, whether it is in use, not in use, or permanently sealed. At the time of sale, the same information must be provided on a well certificate form available from the commissioner signed by the seller or transferor of the property. The county recorder shall not record a deed, instrument, or writing for which a certificate of value is required under section 272.115, unless the well certificate required by this section accompanies the deed, instrument, or writing. The owner shall retain a copy. The county recorder shall transmit the well certificate to the department of health within 30 days after receiving the certificate.

Subd. 3. [FAILURE TO DISCLOSE AT TIME OF SALE.] If a seller or transferor fails to disclose the existence of a well at the time of sale, the buyer or transferee has a civil right of action for damages against the seller for any costs relating to the cleanup of any groundwater contamination related to the fact that the well was not properly sealed at the time of sale. The right of action must be exercised by the buyer or transferee within six years after the date the buyer purchased or transferee received the property on which the well is located.

Subd. 4. [WHO MUST SEAL WELLS.] To seal wells, the owner of property on which a well is located shall employ a licensed water well contractor or a contractor with a license to seal unused wells. The owner of property with monitoring wells, or holes for elevator shafts, or hydraulic cylinders for elevators shall employ a licensed water well contractor, a contractor with a license to seal unused wells, or a monitoring well contractor to seal monitoring wells no longer in use; and an elevator shaft contractor to seal holes no longer used for elevator shafts or shafts for hydraulic cylinders for elevators.

Subd. 5. [OWNER'S CAUSE OF ACTION.] The owner of the property on which a water well or a shaft for an elevator or hydraulic cylinder for an elevator is located has a cause of action for civil damages against a person whose action or inaction caused contamination of the well. The right of an owner to maintain a cause of action extends for a period of six years after the owner knows or becomes aware of the contamination of the well. The court may

award damages, reasonable attorneys' fees, and costs and disbursements.

Subd. 6. [FEES DEPOSITED WITH STATE TREASURER.] Fees collected for permits or registration under this section shall be submitted to the department for deposit in the general fund.

Sec. 8. [156A.045] [PERMITS FOR GROUNDWATER THERMAL EXCHANGE DEVICES.]

Subdivision 1. [PERMIT REQUIRED.] Notwithstanding any department or agency rule to the contrary, the commissioner shall issue, upon request by the owner of the property and submission of a \$50 fee, permits for the reinjection of water by a properly constructed well into the same aquifer from which the water was drawn for the operation of a groundwater thermal exchange device.

Subd. 2. [PROCEDURES FOR GROUNDWATER EXCHANGE.] Withdrawal and reinjection shall be accomplished by a closed system in which the waters drawn for thermal exchange have no contact or commingling with water from other sources or with any polluting material or substances. The closed system must be constructed to allow opening for inspection by the commissioner. Wells that are part of a groundwater thermal exchange system shall serve no other function. However, water may be supplied to the domestic water system if the supply is taken off the thermal exchange system ahead of the heat exchange unit, and if the water discharges to a break tank through an air gap that is at least twice the effective diameter of the water inlet to the tank. A groundwater thermal exchange system may be used for domestic water heating only if the water heating device is an integral part of the heat exchange unit that is used for space heating and cooling.

Subd. 3. [LIMITATIONS AND REQUIREMENTS FOR PERMITS.] As a condition of the permit issued under subdivision 1, an applicant shall agree to allow inspection by the commissioner of health during regular working hours for department inspectors. A maximum of 200 permits shall be issued for small systems having maximum capacities of 20 gallons per minute or less. The small systems shall be subject to inspection twice a year. A maximum of ten permits shall be issued for larger systems having maximum capacities from 20 to 50 gallons per minute. These larger systems shall be subject to inspection four times a year. The commissioner may adopt rules to administer this section.

Subd. 4. [REQUIREMENTS FOR WATER APPROPRIATION APPLY.] Water appropriation permit requirements and penalties provided in sections 105.41 to 105.416 and related rules adopted and enforced by the department of natural resources apply to groundwater thermal exchange permit recipients. A person issued a permit under subdivision 1 must comply with this section for the permit to

be valid. Noncompliance subjects the person to sanctions for the noncomplying activity that are available to the department of health and pollution control agency.

Sec. 9. [156A.047] [VERTICAL HEAT EXCHANGER; LICENSING AND REGULATION.]

Subdivision 1. [LICENSE REQUIREMENTS.] No water well contractor shall drill or construct any excavation used to install a vertical heat exchanger unless the water well contractor has a valid water well contractor's license.

Subd. 2. [REGULATIONS FOR VERTICAL HEAT EXCHANGERS.] Vertical heat exchangers must be constructed, maintained, and sealed according to sections 156A.01 to 156A.09, and rules adopted under those sections.

Subd. 3. [PERMIT REQUIRED.] No water well contractor shall install a vertical heat exchanger without first obtaining a permit from the commissioner of health. The water well contractor must apply for the permit on forms provided by the commissioner and must pay a \$50 fee. As a condition of the permit, the owner of the property on which the vertical heat exchanger is to be installed shall agree to allow inspection by the commissioner, or an agent, during regular working hours of department of health inspectors.

Sec. 10. Minnesota Statutes 1988, section 156A.05, is amended to read:

156A.05 [POWERS AND DUTIES OF THE COMMISSIONER OF HEALTH.]

Subdivision 1. [POWERS OF COMMISSIONER.] The state commissioner of health shall possess all possesses the powers reasonable and necessary to exercise effectively the authority granted by sections 156A.01 to 156A.08 156A.09.

Subd. 1a. [DUTIES.] The commissioner shall:

(1) regulate the drilling, construction, and sealing of water wells within this state;

(2) examine and license water well contractors, persons modifying or repairing well casings, well screens, or well diameters; constructing unconventional wells such as drive points or dug wells; sealing wells; installing water well pumps or pumping equipment; and excavating or drilling holes for the installation of elevator shafts or hydraulic cylinders for elevators; and sealing holes for elevator shafts and hydraulic cylinders for elevator shafts;

(3) register and examine monitoring well contractors;

(4) license explorers engaged in exploratory boring and examine individuals who supervise or oversee exploratory boring;

(5) after consultation with the commissioner of natural resources and the pollution control agency, establish standards for the design, location, construction, repair, and sealing of water wells and holes for elevator shafts or hydraulic cylinders within the state; and

(6) issue permits for construction and maintenance of wells, groundwater thermal devices, vertical heat exchangers, and excavation for holes to install elevator shafts or hydraulic cylinders.

Subd. 1b. [PROCEDURES FOR PERMITS.] The commissioner of health shall establish procedures for application, approval, and issuance of permits by rule. The commissioner may modify fees by rule.

Subd. 1c. [FEES FOR VARIANCES.] The commissioner of health shall charge a fee of \$150 to cover the administrative cost of processing a request for a variance or modification of rules under Minnesota Rules, part 4725.0400. The fee is nonrefundable.

Subd. 2. [COMMISSIONER TO ADOPT RULES.] The commissioner of health shall by December 31, 1971, in the manner prescribed by chapter 15, hold a public hearing and promulgate adopt rules necessary under chapter 14 to carry out the purposes of sections 156A.01 to 156A.08 156A.09 including, but not limited to:

(a) Issuance of licenses for qualified water well contractors, persons modifying or repairing well casings, well screens, or well diameters; constructing unconventional wells such as drive points or dug wells; sealing wells; installing water well pumps or pumping equipment and excavating holes for installing elevator shafts or hydraulic cylinders; and issuance of registration for monitoring well contractors.

(b) Establishment of conditions for examination and review of applications for license.

(c) Establishment of conditions for revocation and suspension of license.

(d) Establishment of minimum standards for design, location, construction, abandonment, and repair, and sealing of wells and holes dug to construct elevator shafts or hydraulic cylinders, to effectuate carry out the purpose and intent of sections 156A.01 to 156A.08 156A.09. The use of plastic water well casing is expressly

permitted and the commissioner shall adopt appropriate construction procedures and material standards in rule.

(e) Establishment of a system for reporting on wells drilled and abandoned by licensed water well contractors sealed.

(f) Modification of fees prescribed in chapter 156A, according to the procedures for setting fees in sections 16A.128 and 144.122.

(g) Establishment of standards for the construction, maintenance, sealing, and water quality monitoring of wells in areas of known or suspected contamination.

(h) Establishment of wellhead protection measures for water wells serving public water supplies.

(i) Establishment of procedures for coordinating collection of well data with other state and local governmental agencies.

(j) Establishment of criteria and procedures for submission of reports, formation samples or cuttings, water samples, or other special information required for geologic and water resource mapping.

Subd. 3. [INSPECTIONS BY COMMISSIONER.] The state commissioner of health may inspect and have access at all reasonable times to any well site, including water wells drilled, abandoned sealed, or repaired or being drilled, abandoned, or repaired, and shall have access to same at all reasonable times. The commissioner may also collect water samples from the wells.

Subd. 4. [COMMISSIONER MAY ORDER REPAIRS AND SEALING OF WELLS.] The commissioner may order the owner of a well to take remedial measures, including making repairs, reconstructing or abandoning sealing the well in accordance with according to rules of the commissioner. The order may be issued if the commissioner determines, based upon inspection of the well and site or an analysis of water from the well, that any of the following conditions exist:

(1) the well is contaminated,

(2) the well has not been abandoned in accordance with sealed according to the rules of the commissioner,

(3) the well is in such a state of disrepair that its continued existence endangers the quality of the groundwater located, constructed, or maintained in such a manner that its continued use or existence endangers the quality of the groundwater or provides a health or safety hazard,

(4) the water well does not produce water because it is not equipped with an operable pump or the electrical supply has been disconnected from the well, or

(5) the well is located in such a place or constructed in such a manner that its continued use or existence endangers the quality of the groundwater the water well has construction failure that may include holes in the casing, collapsed holes, plugged screens, or pumps only sediment or sand.

The order may be enforced in an action to seek compliance brought by the commissioner in the district court of the county in which the well is located.

The owner has a cause of action for civil damages against any person whose action or inaction caused contamination of the well. The right of an owner to maintain a course of action as provided herein extends for a period of six years after the owner knows or becomes aware of the contamination of the well. The court shall award damages, reasonable attorneys' fees, and costs and disbursements.

The commissioner may also order the owner of the property on which a monitoring well or dewatering well is located, to seal a well if the owner does not obtain a maintenance permit for a monitoring well, nonconforming monitoring well, or dewatering well within 14 months after construction, or does not renew the maintenance permit annually thereafter.

Subd. 5. [COMMISSIONER MAY RECOVER COSTS.] Failure to comply with a commissioner's order to seal a water well may result in the commissioner entering into a contract to have the well sealed. Any expense incurred by the state in sealing a well pursuant to an order to seal shall constitute and be a lien in favor of the state against the land involved. The state may recover its costs by either of the following means:

(a) The amount of the expense shall be certified to the county auditor, who shall enter the expense upon the tax books, as a special assessment upon the land, to be collected in the same manner as other real estate taxes on the parcel for the next year.

(b) If the amount certified in paragraph (a) exceeds \$1,000, the state may allow the assessment to be collected in ten equal annual installments payable to the county treasurer with the taxes on the property next due. When collected by the county treasurer the amount shall be reimbursed to the state treasurer.

(c) The lien attaches to real property on which the well is located. The lien is perfected by filing a copy of the lien with the county

recorder or registrar of deed where the well and property are located and serving or mailing by return receipt a copy of the lien to the property owner.

Subd. 6. [ENFORCEMENT OF THE LIEN.] The commissioner may enforce the lien in the manner provided for a judgment lien under chapter 550 or certify the amount to the county auditor, which must be assessed against the property and collected in the same manner as real estate taxes.

Subd. 7. [ASSESSMENT OF INSTALLMENTS.] (a) In lieu of certifying the entire amount to be collected, the commissioner may have the amount due assessed in seven or less equal installments.

(b) The installment due must be entered on the tax lists for the year and collected in the same manner as real estate taxes for that year by collecting one-half of the total of the installment with and as a part of the real estate taxes.

Subd. 8. [SATISFACTION OF LIEN.] The amount due of a lien under this section may be paid at any time. When the amount of the lien is paid, the commissioner must execute a satisfaction of the lien and record the satisfaction with the county recorder or registrar of deeds where the lien was filed.

Subd. 9. [APPROPRIATION OF RECOVERED COSTS.] Costs of sealing wells recovered from property owners shall be deposited in the state treasury and credited to the account from which the amounts were originally appropriated.

Sec. 11. Minnesota Statutes 1988, section 156A.06, is amended to read:

156A.06 [WATER WELL CONTRACTORS AND EXPLORATORY BORERS ADVISORY COUNCIL ON WATER WELLS AND EXPLORATORY BORING; MEMBERS; TERMS; EMPLOYEES.]

Subdivision 1. [ADVISORY COUNCIL ESTABLISHED.] There is hereby created (a) The advisory council on water well contractors and wells, exploratory borers advisory council, herein referred to as the borings, and elevator shaft excavations ("advisory council,") is established as an advisory council to the state commissioner of health. The advisory council shall be composed consist of ~~16~~ 15 voting members. Of the ~~16~~ 15 voting members;

(1) one member shall be from the state department of health, appointed by the state commissioner of health;

(2) one member shall be from the department of natural resources, appointed by the commissioner of natural resources;

(3) one member shall be a member of the Minnesota geological survey of the University of Minnesota appointed by the director; ~~two members~~

(4) one member shall be engaged in the business of exploratory boring for minerals a licensed exploratory borer;

(5) one member shall be a licensed elevator shaft contractor;

(6) two members must be members of the public members who are not connected with the business of exploratory boring or the water well drilling industry;

(7) one member shall be from the pollution control agency, appointed by the commissioner of the pollution control agency;

(8) one member shall be a professional engineer monitoring well contractor; one member shall be a certified professional geologist; and

(9) six members shall be contractors must be residents of Minnesota appointed by the commissioner of health, who are actively engaged in the water well drilling industry, with not to exceed more than two from the seven county metropolitan area and at least four from the remainder rest of the state who shall be representative of represent different geographical regions.

(b) They shall be residents of the state of Minnesota and appointed by the commissioner of health. No appointee of the water well drilling industry shall serve more than two consecutive terms. The appointees to the advisory council from the water well drilling industry shall must have been bona fide residents of this state for a period of at least three years prior to before appointment and shall. Members must have had at least five years experience in the water well drilling business. Expiration of the council shall expire, and the terms of the appointed members and the compensation and removal of all members shall be as provided in are governed by section 15.059.

Sec. 12. Minnesota Statutes 1988, section 156A.071, is amended to read:

156A.071 [EXPLORATORY BORING; LICENSING AND REGULATION PROCEDURES.]

Subdivision 1. [DEFINITIONS.] For the purposes of this section, the following words have the meanings given them:

(a) "Data" includes but is not limited to all samples and factual noninterpreted data obtained from exploratory borings and samples including analytical results;

(b) "Parcel" means a government section, fractional section, or government lot; and

(c) "Samples" means at least a one-quarter portion of all samples from exploratory borings that are customarily collected by the explorer.

Subd. 2. [LICENSING LICENSE REQUIRED.] An explorer engaging in exploratory boring shall obtain a license to do so ~~in accordance with~~ according to the provisions of this chapter and the rules adopted ~~thereunder~~ under this chapter. The explorer may designate a responsible individual who supervises and oversees the making of exploratory borings. Before an individual supervises or oversees an exploratory boring, the individual shall take and pass an examination on those sections of the Minnesota Water Well Construction Code relating to construction, location, and abandonment sealing of wells, which apply to exploratory borings. A professional engineer registered ~~pursuant~~ according to sections 326.02 to 326.15, or a certified professional geologist ~~shall~~ is not be required to take the examination specified required in this section subdivision but shall be required to ~~must be licensed in accordance with~~ according to this section to engage in exploratory boring.

Subd. 3. [REGISTRATION.] At least 30 days ~~prior to before~~ commencing exploratory borings, an explorer shall register ~~with the~~ commissioner of natural resources and provide a copy of the registration to the commissioner of health. The registration shall include:

(a) The identity of the firm, association, or company engaged in exploratory boring; and

(b) The identification of an agent, including the agent's business address. The commissioner of natural resources may require a bond, security, or other assurance from an explorer if the commissioner of natural resources has reasonable doubts ~~as to about the explorer's~~ financial ability to comply with requirements of law relating to exploratory boring. An explorer shall register annually with the commissioner of natural resources while conducting exploratory boring.

Subd. 4. [INFORMATIONAL REQUIREMENTS.] At least ten days ~~prior to the commencement of~~ before beginning exploratory boring, ~~each an~~ explorer shall submit to the commissioner of natural resources a county road map having a scale of one-half inch equal to one mile, as prepared by the state department of transportation, ~~indicating showing~~ the location of each proposed exploratory boring

to the nearest estimated 40 acre parcel. The explorer must submit a copy of this map shall be submitted to the commissioner of health.

Subd. 5. [ACCESS TO DRILL SITES.] The commissioner of health, the commissioner of natural resources, the commissioner of the pollution control agency, the agent of a board of community health board as authorized under section 145A.04, and their officers and employees shall have access to exploratory boring sites for the purpose of inspecting to inspect the drill holes, drilling, and abandonment sealing of exploratory borings, and for the purpose of sampling to sample ambient air and drilling waters, and measuring to measure the radioactivity of the waste drill cuttings at the drilling site at the time of on-site observation.

Subd. 6. [EMERGENCY NOTIFICATION.] The explorer shall promptly notify the commissioner of health, the commissioner of natural resources, the pollution control agency, and the authorized agent board of health of any occurrence during exploratory boring that has a potential for significant adverse health or environmental effects and. The explorer shall take such reasonable action as may be reasonably possible to minimize such the adverse effects. The commissioner of health may inspect data prior to before its submission as required by subdivision 8, if necessary, to accomplish the purposes of the laws relating to explorers and exploratory borings. The data examined by the commissioner of health shall be considered to be is not public data prior to the time for making any submissions of the data before it is submitted under subdivision 8 or 9.

Subd. 7. [PERMANENT AND TEMPORARY ABANDONMENT SEALING PROCEDURES.] Permanent and temporary abandonment sealing of exploratory borings shall be accomplished pursuant according to rules adopted in accordance with under this chapter.

Subd. 8. [ABANDONMENT SEALING REPORT.] Within 30 days of permanent or temporary abandonment sealing of an exploratory boring, the explorer shall submit on forms provided by the commissioner of health a report to the commissioner of health and the commissioner of natural resources a report to. The report must be on forms provided by the commissioner of health and must include:

- (a) The location of each drill hole at as large a scale as possible, which is normally prepared as part of the explorer's record;
- (b) The type and thickness of overburden and rock encountered;
- (c) Identification of water bearing formations encountered;
- (d) Identification of hydrologic conditions encountered;

- (e) Method of ~~abandonment~~ sealing used;
- (f) Methods of construction and drilling used;
- (g) Average scintillometer reading of waste drill cuttings ~~prior to~~ before backfilling of the recirculation pits.

Subd. 9. [SUBMISSION OF DATA FROM EXPLORATORY BORINGS.] Data obtained from exploratory borings shall be submitted by the explorer to the commissioner of natural resources as follows:

(a) Upon application for a state permit required for activities relating to mineral deposit evaluation, the explorer shall submit to the commissioner of natural resources data relevant to the proposal under consideration. The explorer may identify portions of the data ~~which that~~, if released, would impair the competitive position of the explorer submitting the data. Data so identified shall be considered to be not public data. If requested to disclose the data, the commissioner shall mail notice of the request to the explorer and determine whether release of the data would impair the competitive position of the explorer submitting the data. If the commissioner determines that release of the data would impair the competitive position of the explorer submitting the data, the commissioner shall not release the data to any person other than parties to the proceedings relating to the permit under consideration. Parties to the proceedings shall maintain the confidentiality of data. Further, data ~~which~~ are classified as not public shall not be released by the commissioner until 30 days after mailed notice to the explorer of the commissioner's intention to do so. ~~Under no circumstances shall~~ The commissioner shall not release data to any person engaged in exploration, mining, milling, or related industry pertaining to any mineral. If the commissioner determines to release data, the explorer may demand a contested case hearing on the commissioner's determination or may withdraw the permit application and the data shall not be released. Any person aggrieved by the decision of the commissioner may appeal the decision ~~in accordance with~~ according to chapter 14.

(b) Upon application for a state permit required for mine development, the explorer shall submit to the commissioner of natural resources data relevant to the proposal under consideration. This data shall be considered public data and persons submitting the data shall not be subject to civil or criminal liability for its use by others.

(c) Within six months after termination by the explorer of its lease or any other type of exploration agreement on a property all data shall be submitted. The data shall be considered public data and persons submitting the data shall not be subject to civil or criminal liability for its use by others. Data submitted to the commissioner of natural resources ~~prior to~~ before May 1, 1980 need not be submitted under this section. The commissioner of natural resources shall

designate which samples shall be submitted, and shall specify the location to which where the sample shall be delivered. In the event that if the explorer requires certain samples in their entirety, the commissioner of natural resources may waive the requirement for a one-fourth portion of the samples. Samples submitted become property of the state.

(d) As used in this subdivision, "mineral deposit evaluation" means examining an area to determine the quality and quantity of minerals, excluding exploratory boring but including obtaining a bulk sample, by such means as excavating, trenching, constructing shafts, ramps, tunnels, pits and producing refuse and other associated activities. "Mineral deposit evaluation" shall does not include activities intended, by themselves, for commercial exploitation of the ore body. "Mine development" means those activities undertaken after mineral deposit evaluation for commercial exploitation of the ore body.

Sec. 13. Minnesota Statutes 1988, section 156A.075, is amended to read:

156A.075 [LOCAL CONTROL OF EXPLORERS ALLOWED.]

Nothing contained in Laws 1980, chapter 535 shall be construed as limiting chapter 156A limits the lawful authority of local units of government to prohibit mineral exploration within their boundaries, require permits from explorers, or impose reasonable requirements and fees upon explorers, consistent with the provisions of Laws 1980, chapter 535 sections 156A.01 to 156A.09, other state laws, and rules promulgated thereunder adopted under those laws.

Sec. 14. Minnesota Statutes 1988, section 156A.08, is amended to read:

156A.08 [PENALTIES.]

Subdivision 1. [VIOLATIONS ARE GROSS MISDEMEANORS.] Any person who shall A person is guilty of a gross misdemeanor if the person: (1) willfully violate violates any lawful rule or order of the commissioner, or who shall engage; (2) engages in the business of drilling or making water wells, sealing wells, installing pumps or pumping equipment, or excavating holes for elevator shafts or hydraulic cylinders without first having obtained a license as required in sections 156A.01 to 156A.08 required, or who shall engage 156A.09; (3) engages in the business of exploratory boring without either being licensed in accordance with the provisions of under this chapter, or being registered as a professional engineer or certified as a professional geologist; or who shall violate (4) violates any provision of sections 156A.01 to 156A.08, shall be guilty of a gross misdemeanor 156A.09. Any A violation of sections 156A.01 to 156A.08 156A.09 shall be prosecuted by the county attorney in the

county in which the said violation occurred or is occurring, and. The trial thereof shall be held in that county.

Subd. 2. [DENIAL OF RENEWAL.] The commissioner may deny an application for renewal of a license or registration if the applicant has violated any provision of sections 156A.01 to 156A.09 or rules adopted under those sections. The following are sufficient grounds to refuse renewal:

(1) failure to submit a well report, well sealing report, or report on excavation of holes to install elevator shafts or hydraulic cylinders; or

(2) failure to obtain a well permit or a permit to excavate a hole to install an elevator shaft or a hydraulic cylinder before construction.

Subd. 3. [SUSPENSION, REVOCATION OF LICENSE OR REGISTRATION.] A license or registration issued under sections 156A.01 to 156A.09 may be suspended or revoked upon finding that the licensee or person registered has violated provisions of sections 156A.01 to 156A.09 or the rules and regulations adopted under sections 156A.01 to 156A.09 that apply to the particular license or registration. Proceedings by the commissioner of health under this section and review of the proceedings shall be according to the administrative procedure act.

Subd. 4. [HEARING.] The commissioner may, after providing a person with reasonable notice and a hearing, suspend or revoke the license or registration of the person upon finding that the person has violated requirements of this chapter or rules adopted under this chapter that apply to the person's license or registration. Proceedings by the commissioner of health according to this section and review shall be according to chapter 14.

Subd. 5. [ADMINISTRATIVE PENALTIES.] The commissioner may seek to remedy violations of this chapter or the commissioner's orders by imposing administrative penalties. The penalties may be appealed within ten days of the order in a contested case hearing under chapter 14.

(a) A well contractor or limited well contractor who seals a well, a monitoring well contractor who seals a monitoring well, or an elevator shaft contractor who seals a hole that was used for an elevator shaft in a manner that does not comply with the water well construction code, shall be assessed \$500.

(b) A well contractor or monitoring well contractor who fails to comply with the rules in the water well construction code relating to location of wells in relation to potential sources of contamination,

grouting, materials, or construction techniques shall be assessed \$500.

(c) A well contractor or monitoring well contractor shall be assessed \$250 if the contractor: (1) constructs a well without an approved plan review when a plan review is required; (2) constructs a well without a permit; (3) fails to register a drilling rig or pump rig and fails to display the state decal and the registration number on the machine; or (4) fails to comply with the rules in the water well construction code relating to disinfection of water wells and submission of well construction or well sealing logs and water samples.

(d) A person who fails to disclose or who falsifies information about the status and location of wells on property before signing an agreement of sale or transfer of the property, or on a well certificate shall be assessed \$250 unless the seller or transferor can show that reasonable steps were taken to determine that no unreported wells exist on the property. Steps include examination of historical and land ownership records.

(e) A person who employs a well contractor on the person's property and fails to obtain a permit for construction of the well, or who fails to have a well sealed in accordance with the rules, shall be assessed \$250.

#### Sec. 15. [156A.09] [DUTIES AND RESPONSIBILITIES OF LOCAL UNITS OF GOVERNMENT.]

Subdivision 1. [DELEGATED AUTHORITY.] In conjunction with section 145A.07, subdivision 1, the commissioner of health may enter into an agreement with any board of health to delegate all or part of the inspection, reporting, and enforcement duties authorized under provisions of chapter 156A and the Minnesota water well code pertaining to the permitting, construction, repair, and sealing of water wells and holes excavated to install elevator shafts and hydraulic cylinders for elevators.

Subd. 2. [UNSEALED WELLS MAY BE DECLARED PUBLIC HEALTH NUISANCES.] A county may abate as a public health nuisance any well described in section 156A.05, subdivision 4, in the manner prescribed in section 145A.04, subdivision 8.

Subd. 3. [IMPOUNDING OF EQUIPMENT.] Upon notice from the commissioner of health, local law enforcement authorities shall impound the equipment of any person who has constructed, repaired, or sealed wells or installed pumps or pumping equipment or excavated holes for installing elevator shafts or hydraulic cylinders without a license or registration as required under this chapter. The equipment shall remain in the custody of the local law enforcement office until a final court order is issued.

Sec. 16. Minnesota Statutes 1988, section 326.37, is amended to read:

**326.37 [PLUMBERS; SUPERVISION BY STATE COMMISSIONER OF HEALTH; RULES; VIOLATION; PENALTY.]**

**Subdivision 1. [MINIMUM STANDARDS.]** The state commissioner of health may, by rule, prescribe minimum standards which shall be uniform, and which standards shall thereafter be effective for all new plumbing installations, including additions, extensions, alterations, and replacements connected with any water or sewage disposal system owned or operated by or for any municipality, institution, factory, office building, hotel, apartment building, or any other place of business regardless of location or the population of the city or town in which located. Violation of the rules shall be a misdemeanor.

**Subd. 2. [STANDARDS FOR CAPACITY.]** By January 1, 1991, all new and replacement floor-mounted water closets may not have a flush volume of more than 1.6 gallons. The water closets must meet the standards of the commissioner and the American National Standards Institute.

**Subd. 3. [ADMINISTRATION.]** The commissioner shall administer the provisions of sections 326.37 to 326.45 and for such purposes may employ plumbing inspectors and other assistants.

Sec. 17. [REPEALER.]

Minnesota Statutes 1988, sections 156A.02, subdivision 3; 156A.031; 156A.04; 156A.07; 156A.10; and 156A.11, are repealed.

## ARTICLE 6

### EDUCATION; RESEARCH; MONITORING; AND INFORMATION MANAGEMENT

Section 1. Minnesota Statutes 1988, section 116E.03, subdivision 9, is amended to read:

**Subd. 9. [PRIVATE GRANT AND FEDERAL FUNDS.]** The chief administrative officer of the state board is the state agent to apply for, receive, and disburse state, private, grant and federal grant funds made available to the state by private organizations or federal law or rules and regulations promulgated thereunder for any purpose related to the powers and duties of the state board or the regional councils. The chief administrative officer shall comply with any and all requirements of such private organizations or federal law or such rules and regulations promulgated thereunder to enable the funds to be applied for, received, and disbursed. All such moneys received by the chief administrative officer of the state board shall be deposited in the state treasury and are hereby annually appropri-

ated to the chief administrative officer for the purposes for which they are received. None of such moneys in the state treasury shall cancel and they shall be available for expenditure in accordance with the requirements of federal law or the terms of such private grants. No application for federal funds or private grants under this subdivision shall be submitted to federal authorities or private organizations for approval unless the proposed budget for the expenditure of such funds is approved by the governor and reported to the standing committee on finance of the senate and the standing committee on appropriations of the house of representatives.

**Sec. 2. [116E.05] [WATER INFORMATION COMMITTEE ESTABLISHED.]**

**Subdivision 1. [WATER RESOURCES INFORMATION AND EDUCATION COMMITTEE.]** The environmental education board shall establish a water resources information and education committee. Members of the committee shall serve without compensation, but each citizen member of the committee may be reimbursed for actual and necessary expenses incurred in the performance of that member's duties. The committee shall report to the environmental education board.

**Subd. 2. [DUTIES.]** The committee shall:

(1) identify water resources information and education needs, priorities, and goals and prepare an implementation plan to guide state activities relating to water resources information and education;

(2) coordinate the development and evaluation of water information and education materials and resources;

(3) coordinate the dissemination of water information and education through existing delivery systems;

(4) prepare an interdisciplinary program of instruction on water education for teachers and students in kindergarten through grade 12; and

(5) prepare an annual report on program results.

The committee shall report to the environmental education board on its progress and recommendations under this subdivision. The board shall have final approval over all activities and recommendations of the committee.

**Subd. 3. [COMMITTEE MEMBERSHIP.]** The water information and education committee shall include state agency personnel and private citizens with education and information expertise, including

public representatives from the department of natural resources, pollution control agency, Minnesota extension service, local governments involved in comprehensive local water planning, environmental education board, department of education, department of agriculture, environmental quality board, metropolitan council, department of health, board of water and soil resources, soil conservation service, educational institutions, and other public agencies with responsibility for water or public education.

The environmental education board shall appoint and set the terms for the citizen committee members.

Sec. 3. [116E.06] [CONSISTENCY OF STATE INFORMATION ACTIVITIES.]

State agency information and education activities must be consistent with the implementation plan required under section 2.

Sec. 4. Minnesota Statutes 1988, section 116C.40, is amended by adding a subdivision to read:

Subd. 4. [COMMITTEE.] "Committee" means the water research coordinating committee established in section 2.

Sec. 5. Minnesota Statutes 1988, section 116C.40, is amended by adding a subdivision to read:

Subd. 5. [WATER RESEARCH.] "Water research" means a scientific investigation or inquiry into the occurrence, properties, or conditions of groundwater and surface water resources, the impacts of existing and new practices on the resource, and any other activities that contribute to the understanding of water and the impact of human activities on water resources.

Sec. 6. Minnesota Statutes 1988, section 116C.41, subdivision 1, is amended to read:

Subdivision 1. [WATER PLANNING.] The board shall:

(1) coordinate public water resource management and regulation activities among the state agencies having jurisdiction in the area;

(2) initiate, coordinate, and continue to develop comprehensive long-range water resources planning in furtherance of the plan adopted by the water planning board entitled "A Framework for a Water and Related Land Resources Strategy for Minnesota, 1979";

(3) coordinate water planning activities of local, regional, and federal bodies with state water planning and integrate these plans with state strategies; and

(4) coordinate development of state water policy recommendations and priorities, and recommend a program for funding identified needs, including priorities for implementing the state water resources monitoring plan under clause (5);

(5) develop a plan for monitoring the state's water resources in cooperation with state agencies and local units of government participating in the monitoring of water resources and in the development of comprehensive local water plans;

(6) administer federal water resources planning with multiagency interests; and

(7) establish minimum data compatibility standards governing the collection and automation of water resource and related data that has common value for natural resource planning.

Sec. 7. [116C.42] [WATER RESEARCH COORDINATING COMMITTEE.]

Subdivision 1. [ESTABLISHMENT OF WATER RESEARCH COORDINATING COMMITTEE.] The environmental quality board shall establish and administer a committee to identify and recommend priorities for water research. The committee shall include representatives from the department of agriculture, board of water and soil resources, local governments involved in comprehensive water planning, department of health, department of natural resources, pollution control agency, United States Department of Agriculture, state planning agency, United States Geological Survey, the state universities, and the University of Minnesota.

Subd. 2. [NEEDS EVALUATION.] The water research coordinating committee shall evaluate and report to the board on water research needs and recommend priorities for addressing these needs. The committee shall also identify the results of existing water research that may affect the administration of state and local programs. The committee shall report its findings to the environmental quality board by May 1 of each even-numbered year. The board shall report to the governor and legislature, including the Minnesota future resources commission, the legislative commission on water, and other appropriate bodies by November 15 of each even-numbered year. The committee shall advise the board on developing the report.

ARTICLE 7

LOCAL WATER RESOURCES  
PROTECTION AND MANAGEMENT

Section 1. [105.486] [SHORELAND GRANTS.]

The commissioner of natural resources may make grants to local governments:

(1) to administer, monitor and enforce state approved shoreland management ordinances;

(2) to adopt shoreland management ordinances consistent with statewide standards;

(3) to develop comprehensive lake by lake or river shoreland management strategies that provide a unique plan to guide activities on and adjacent to a lake or river; and

(4) to implement elements of a comprehensive lake or river management strategy.

Sec. 2. [105.487] [ACTION ON GRANT APPLICATIONS.]

Upon receipt of a request for a grant the commissioner of natural resources must confer with the local government requesting the grant and may make a grant based on the following considerations:

(1) the number and classification of lakes and rivers in the jurisdiction of the local government;

(2) the extent of current shoreland development;

(3) the development trends for the lakes and rivers;

(4) the miles of lake and river shoreline;

(5) whether the shoreland management ordinance or regulation adopted by the local government meets the minimum standards established by the commissioner;

(6) the degree and effectiveness of administration, enforcement and monitoring of the existing shoreland ordinances;

(7) the degree to which the grant request is consistent with local water plans develop under Minnesota Statutes chapter 110B, 112, and 473.875 and 473.883;

(8) the ability of the local government to finance the program or project; and

(9) the degree to which the program considers a comprehensive approach to lake or river management including land use, recreation, water levels, surface water use, fish, wildlife, and water quality that may be secondary to the other elements.

Sec. 3. [105.488] [LIMITATIONS.]

(a) The maximum annual grant to local government for purposes of section 1, clauses (1) and (2), may not exceed the local contribution to the shoreland management activity.

(b) Any federal program aid for shoreland management shall serve to reduce the state and local contribution to the activity.

Sec. 4. [110C.01] [SHORT TITLE.]

Sections 4 to 9 may be cited as the "local water resources protection and management program."

Sec. 5. [110C.02] [PURPOSE.]

The purpose of the local water resources protection and management program is to provide state financial and technical assistance to local units of government for local programs to protect and manage water resources within the framework provided by approved comprehensive local water plans.

Sec. 6. [110C.03] [DEFINITIONS.]

Subdivision 1. [SCOPE.] For the purposes of sections 4 to 9, the terms defined in this section have the meanings given them.

Subd. 2. [BOARD.] "Board" means the board of water and soil resources.

Subd. 3. [LOCAL UNIT OF GOVERNMENT.] "Local unit of government" means a statutory or home rule charter city, town, county, or soil and water conservation district, watershed district, an organization formed for the joint exercise of powers under section 471.59, a local health board, or other special purpose district or authority with local jurisdiction in water and related land resources management.

Subd. 4. [COMPREHENSIVE LOCAL WATER PLAN.] "Comprehensive local water plan" means a county water plan authorized under section 110B.04, a watershed management plan required under section 473.878, an overall plan required under section 112.46, or a county groundwater plan authorized under section 473.8785.

Sec. 7. [110C.04] [COMPREHENSIVE LOCAL WATER PLANS HAVE PRIORITY FOR FINANCIAL ASSISTANCE.]

State agencies must give priority to local requests that are part of, or responsive to, a comprehensive local water plan when adminis-

tering programs for water-related financial and technical assistance.

Sec. 8. [110C.05] [LOCAL WATER RESOURCES PROTECTION AND MANAGEMENT GRANTS.]

Subdivision 1. [ESTABLISHMENT; FINANCIAL ASSISTANCE TO COUNTIES.] A local water resources protection and management grants program is established. The board shall provide financial assistance to counties for cooperative local government activities that protect and improve water quality or quantity. These activities may include, but are not limited to, planning, official controls, and other activities to implement comprehensive local water plans.

Subd. 2. [COUNTY SPONSORSHIP.] Funding requests must be submitted to the board by a county. A county must coordinate and submit requests on behalf of other units of government within its jurisdiction. A county may contract with other appropriate local units of government to implement programs conducted under this section. An explanation of the program responsibilities proposed to be contracted with other local units of government must accompany grant requests. A county that contracts with other local units of government is responsible for ensuring that state funds are properly expended and for providing an annual report to the board describing expenditures of funds and program accomplishments.

Subd. 3. [FINANCIAL ASSISTANCE.] Grants may be used to employ persons and to obtain and use information necessary to implement the following activities:

(1) develop comprehensive local water plans under sections 110B.04 and 473.8785 which have not received state funding for water resources planning as provided for in Laws 1987, chapter 404, section 30, subdivision 5, clause (a);

(2) implement water resources programs identified as priorities in comprehensive local water plans; or

(3) revise shoreland zoning ordinances prior to July 1, 1991.

Subd. 4. [LIMITATIONS.] Grants provided to carry out mandated or delegated state programs under this section shall be reviewed by the agency having statutory program authority to assure compliance with minimum state standards. At the request of the agency commissioner, the board shall revoke that portion of the grant used to support a noncompliant program.

Grants provided for the purpose of developing comprehensive

local water plans shall not be awarded for greater than a two-year time period.

Subd. 5. [RULES.] The board shall adopt rules that:

(a) establish performance criteria for grant administration for local implementation of state delegated or mandated programs that recognize regional variations in program needs and priorities;

(b) recognize the unique nature of state delegated or mandated programs;

(c) specify that program activities contracted by a county to another local unit of government are eligible for funding;

(d) require that grants from the board shall not exceed the amount matched by participating local units of government; and

(e) specify a process for the board to establish a base level grant amount that all participating counties may be eligible to receive.

Subd. 6. [ELIGIBILITY.] A county requesting funds must have adopted a comprehensive local water plan unless the request is made under subdivision 3, clause (1) or (3).

Subd. 7. [PRIORITIES.] The board must consider requests for funding according to the following:

(1) completing comprehensive local water plans under sections 110B.04 and 473.8785;

(2) adoption, administration, and enforcement of official controls;

(3) indicate the participation of several local units of government, including multicounty efforts;

(4) complement goals of federal, state, and local units of government; and

(5) demonstrate long-term commitments to effective water protection and management programs.

Subd. 8. [COORDINATED REVIEW OF COUNTY WATER RESOURCES PROTECTION AND MANAGEMENT PROGRAM.] (a) The board shall consult with appropriate agencies to evaluate grant requests and coordinate project activities with other state, federal, and local resource management projects.

(b) Grants specified for shoreland management shall be allocated according to priorities established by the department of natural resources.

Sec. 9. [110C.06] [WELL SEALING GRANTS.]

Subdivision 1. [POLICY.] The board shall make grants to counties to seal wells. The board may allocate funds to counties to be used to share the cost of sealing priority wells. The county shall use the state funds to pay up to 75 percent, but not to exceed \$2,000 per well, of the cost of sealing priority wells.

Subd. 2. [REPORT.] The board in consultation with the commissioner of health shall make annual reports to the legislature on the status of expenditures and well sealings.

Subd. 3. [SUNSET.] The grant program established under this section shall not continue beyond June 30, 1995. Grants provided between July 1, 1989 and June 30, 1995, are contingent upon biennial appropriation of funds.

Subd. 4. [ELIGIBILITY.] All wells proposed for sealing with grants by the board under this section must be wells identified as part of the priority action in an approved comprehensive local water plan and are wells that qualify for sealing under criteria established by the board.

Subd. 5. [APPLICATION.] (a) Counties shall complete and submit applications for well sealing grants on forms prescribed by the board.

(b) In its application, the county shall provide evidence that it has consulted the local community health service boards, soil and water conservation districts, and other appropriate local units of government or organizations in preparing the application.

Subd. 6. [BOARD DUTIES.] (a) The board, in selecting counties for participation, shall consult with the commissioners of natural resources, pollution control, and health, and the director of the Minnesota geological survey, and must consider appropriate criteria including the following:

- (1) diversity of well construction;
- (2) diversity of geologic conditions;
- (3) current use of affected aquifers;
- (4) diversity of land use; and

(5) aquifer susceptibility to contamination by unsealed wells.

(b) The board and the commissioner of health shall establish priorities for sealing wells based upon the following criteria:

(1) well construction, depth, and condition;

(2) importance of aquifer as public and private water supply source;

(3) proximity to known or potential point or nonpoint contamination sources;

(4) current contamination of the well or aquifer;

(5) susceptibility of aquifer to contamination by unsealed wells;

(6) limited availability of alternative sources of drinking water;

(7) potential for use of the well for monitoring groundwater;

(8) anticipated changes in land or water use;

(9) unique conditions such as construction, rehabilitation, or demolition areas; and

(10) danger to humans or animals of falling into the well.

Subd. 7. [COUNTY DUTIES AND RESPONSIBILITIES.] (a) A county may contract for the administration of the well sealing program with another local unit of government.

(b) A county, or contracted local unit of government, shall contract with landowners to share in the cost of sealing priority wells in accordance with subdivision 6. The contract shall specify that:

(1) sealing must be done in accordance with chapter 156A and the commissioner of health rules relating to sealing of wells;

(2) that payment shall be made to the landowner, upon completion of sealing of the well by a contractor licensed in accordance with chapter 156A; and

(3) that a record of well sealing shall be filed along with a copy of the water well record with the commissioner of health.

(c) The county shall make an annual report to the board, by or before February 15 of each year, on the status of the well sealing

grant program including the number and location of wells sealed and the amount spent on each.

(d) The county must consult with local health boards, soil and water conservation districts, planning and zoning departments, and other appropriate organizations during program implementation.

(e) To encourage landowner participation in the program, the county shall publicize in newspapers of general circulation, information regarding availability of state funds to share the cost of sealing wells, and invite the public to report to the county on the existence of wells that need to be sealed.

Subd. 8. [LANDOWNER RIGHTS AND RESPONSIBILITIES.] The owner shall file the record of well sealing with the county recorder or register of deeds where the sealed well is located.

Sec. 10. Minnesota Statutes 1988, section 115.093, subdivision 5, is amended to read:

Subd. 5. [LOCAL UNIT OF GOVERNMENT.] "Local unit of government" means a statutory or home rule charter city, town, county, soil and water conservation district, watershed district, an organization formed for the joint exercise of powers under section 471.59, an Indian tribe or an authorized Indian tribal organization, and any other special purpose district or authority exercising authority in water and related land resources management at the local level.

## ARTICLE 8

### WATER APPROPRIATION PRIORITIES

Section 1. [105.406] [ONCE-THROUGH SYSTEMS PROHIBITED.]

After January 1, 1992, it is unlawful for any person, firm, or corporation, including the state, or any of its agencies or political subdivisions, or the University of Minnesota, to appropriate or use any groundwater in the state in a once-through comfort cooling or heating system that draws a continuous stream of water to remove heat for cooling, heating, or refrigeration purposes.

Sec. 2. Minnesota Statutes 1988, section 105.41, subdivision 1a, is amended to read:

Subd. 1a. [WATER ALLOCATION RULES, PRIORITIES.] The commissioner shall submit to the legislature by January 1, 1975, for

its approval, proposed adopt rules in the manner provided in chapter 14, governing the allocation of waters among potential water users. For the purposes of this section, "consumption" shall mean water withdrawn from a supply which is lost for immediate further use in the area. These rules must be based on the following priorities for the consumptive appropriation and use of water:

First priority: domestic water supply, excluding industrial and commercial uses of municipal water supply, and use for power production that meets the contingency planning provisions of section 105.417, subdivision 5.

Second priority: any use of water that involves consumption of less than 10,000 gallons of water a day. In this section "consumption" means water withdrawn from a supply that is lost for immediate further use in the area.

Third priority: agricultural irrigation, involving consumption in excess of 10,000 gallons a day, and processing of agricultural products.

Fourth priority: power production involving consumption in excess of 10,000 gallons a day in excess of the use provided for in the contingency plan developed pursuant to section 105.417, subdivision 5.

Fifth priority: other uses, involving consumption in excess of 10,000 gallons a day.

Appropriation and use of surface water from streams during periods of flood flows and high water levels must be encouraged subject to consideration of the purposes for use, quantities to be used, and the number of persons appropriating water.

Appropriation and use of surface water from lakes of less than 500 acres in surface area must be discouraged.

The treatment and reuse of water from nonconsumptive uses shall be encouraged.

Diversions of water from the state for use in other states or regions of the United States or Canada must be discouraged.

No permit may be issued under this section unless it is consistent with state, regional, and local water and related land resources management plans, if regional and local plans are consistent with statewide plans. The commissioner must not modify or restrict the amount of appropriation from a groundwater source authorized in a permit issued under section 105.44, subdivision 8, between May 1 and October 1 of any year, unless the commissioner determines the

authorized amount of appropriation endangers any domestic water supply.

Sec. 3. Minnesota Statutes 1988, section 105.418, is amended to read:

#### 105.418 [CONSERVATION OF PUBLIC WATER SUPPLIES.]

During periods of critical water deficiency as determined by the governor and declared by order of the governor, public water supply authorities appropriating water shall adopt and enforce restrictions consistent with rules adopted by the commissioner of natural resources within their areas of jurisdiction. The restrictions must limit lawn sprinkling, car washing, golf course and park irrigation, and other nonessential uses and have appropriate penalties for failure to comply with the restrictions. The commissioner may adopt emergency rules according to sections 14.29 to 14.36 relating to matters covered by this section during the year 1977. Disregard of critical water deficiency orders, even though total appropriation remains less than that permitted, is grounds for immediate modification of any public water supply authority's appropriator's permit.

### ARTICLE 9

#### LEGISLATIVE COMMISSION ON WATER

Section 1. [3.89] [ESTABLISHMENT OF LEGISLATIVE COMMISSION ON WATER.]

Subdivision 1. [CREATION; MEMBERSHIP; VACANCIES; COMMITTEES.] There is created in the legislative branch a joint legislative commission on water. The commission shall consist of 12 members appointed as follows:

(1) six members of the senate to be appointed by the subcommittee on committees and to serve until their successors are appointed;

(2) six members of the house to be appointed by the speaker of the house and to serve until their successors are appointed; and

(3) vacancies occurring on the commission shall not affect the authority of the remaining members of the commission to carry out the function thereof, and such vacancies shall be filled in the same manner as the original positions.

Subd. 2. [STAFF.] The commission is authorized, without regard to the civil service laws and regulations, to appoint and fix the compensation of such additional legal and other personnel and

consultants as may be necessary to enable it to carry out its functions, or to contract for services to supply necessary data, except that any state employees subject to the civil service laws and regulations who may be assigned to the commission shall retain civil service status without interruption or loss of status or privilege. The staff shall be hired and supervised for the commission by the executive director of the Minnesota future resources commission.

Subd. 3. [DATA FROM STATE AGENCIES; AVAILABILITY.] The commission may request information from any state officer or agency in order to assist it in carrying out its duties and such officer or agency is authorized and directed to promptly furnish any data required, subject to applicable requirements or restrictions imposed by chapter 13 and section 15.17.

Subd. 4. [POWERS AND DUTIES.] The commission shall review water policy reports and recommendations of the environmental quality board submitted under section 116C.41 and article 6, section 6, the biennial report of the board of water and soil resources required by section 110B.35, subdivision 7, paragraph (g), and such other water-related reports as may be required by the legislature. The commission may conduct public hearings and otherwise secure data and expressions of opinion. The commission shall make such recommendations as it deems proper to assist the legislature in formulating legislation. Any data or information compiled by the commission or its committees shall be made available to any standing or interim committee of the legislature upon request of the chair of the respective committee.

Subd. 5. [STUDY.] The commission shall study the state's water management needs for the year 2000 and report its findings to the governor and legislature by November 15, 1991.

Subd. 6. [EXPIRATION.] The provisions of this section shall expire on June 30, 1995.

## ARTICLE 10

### APPROPRIATION

#### Section 1. [APPROPRIATION.]

Subdivision 1. [STATE PLANNING AGENCY.] For the purposes of this act, \$ . . . . is appropriated from the general fund to the state planning agency and its complement is increased by . . . . people.

Subd. 2. [DEPARTMENT OF NATURAL RESOURCES.] For purposes of this act, \$ . . . . is appropriated from the general fund to

the department of natural resources and its complement is increased by . . . . . people.

For purposes of article 7, section 1, funding must be allocated as follows:

(a) adoption, administration and enforcement of shoreland ordinances \$ . . . . .

(b) development and implementation of unique comprehensive lake or river management programs:

- (1) General \$ . . . . .
- (2) North Shore Management Board \$ . . . . .
- (3) Lake Minnetonka Conservation District \$ . . . . .
- (4) Mississippi Headwaters Board \$ . . . . .

Subd. 3. [DEPARTMENT OF AGRICULTURE.] For the purposes of this act, \$ . . . . . is appropriated from the general fund to the department of agriculture and its complement is increased by . . . . . people.

Subd. 4. [MINNESOTA GEOLOGICAL SURVEY.] For the purposes of this act, \$ . . . . . is appropriated from the general fund to the Minnesota geological survey and its complement is increased by . . . . . people.

Subd. 5. [MINNESOTA EXTENSION SERVICE.] For the purposes of this act, \$ . . . . . is appropriated from the general fund to the University of Minnesota extension service and its complement is increased by . . . . . people.

Subd. 6. [MINNESOTA ENVIRONMENTAL EDUCATION BOARD.] For the purposes of this act, \$ . . . . . is appropriated from the general fund to the Minnesota environmental education board and its complement is increased by . . . . . people.

Subd. 7. [POLLUTION CONTROL AGENCY.] For the purposes of this act, \$ . . . . . is appropriated from the general fund to the pollution control agency and its complement is increased by . . . . . people.

Subd. 8. [BOARD OF WATER AND SOIL RESOURCES.] For the purposes of this act, \$ . . . . . is appropriated from the general fund to the board of water and soil resources and its complement is increased by . . . . . people.

Subd. 9. [DEPARTMENT OF HEALTH.] For the purposes of this act, \$ . . . . . is appropriated from the general fund to the department of health and its complement is increased by . . . . . people."

Delete the title and insert:

"A bill for an act relating to groundwater; establishing best management practices and water resources protection requirements; regulating pollution limits; changing various requirements and procedures concerning fertilizer, soil amendments, and plant amendments; requiring a study of sustainable agriculture; changing certain pesticide laws; requiring a pesticide management plan; providing for responses to pesticide and fertilizer incidents; establishing a safe drinking water account; imposing an annual fee; reorganizing and revising laws on water wells, exploratory boring, and elevator shafts; establishing a water information committee; providing for local water resources protection and management; establishing water appropriation priorities; establishing a legislative commission on water; appropriating money; amending Minnesota Statutes 1988, sections 17.713; 17.714, subdivisions 1, 3, 6, and by adding a subdivision; 17.715, subdivisions 1, 4, and by adding subdivisions; 17.7155; 17.716, subdivisions 1 and 2; 17.717; 17.718; 17.719, subdivisions 1, 2, 3, 4, and by adding subdivisions; 17.721, by adding a subdivision; 17.723; 17.725, subdivision 2, and by adding subdivisions; 17.728, by adding subdivisions; 17.7285; 17.73, subdivision 3; 18B.01, subdivisions 5, 12, 15, 19, 21, 23, 26, 30, 31, and by adding subdivisions; 18B.03, by adding a subdivision; 18B.04; 18B.07, subdivisions 2, 3, 4, 5, 6, and 7; 18B.08, subdivisions 1, 3, and 4; 18B.15; 18B.17, subdivision 2; 18B.18; 18B.20, by adding a subdivision; 18B.21; 18B.26, subdivisions 1, 3, 5, and by adding a subdivision; 18B.31, subdivisions 3 and 5; 18B.32, subdivision 2; 18B.33, subdivisions 1, 3, and 7; 18B.34, subdivisions 1, 2, and 5; 18B.36; 18B.37, subdivisions 1, 2, 3, and 4; 105.41, subdivision 1a; 105.418; 115.093, subdivision 5; 116C.40, by adding subdivisions; 116C.41, subdivision 1; 116E.03, subdivision 9; 156A.01; 156A.02; 156A.03; 156A.05; 156A.06; 156A.071; 156A.075; 156A.08; and 326.37; proposing coding for new law as Minnesota Statutes, chapters 110C and 115D; proposing coding for new law in Minnesota Statutes, chapters 3; 17; 18B; 105; 115; 116C; 116E; 144; and 156A; repealing Minnesota Statutes 1988, sections 17.714, subdivisions 4, 4a, and 4b; 17.721; 17.726; 17.727; 17.728, subdivisions 4 and 5; 17.729; 17.73, subdivision 5, paragraph (d); 18B.16; 18B.19; 18B.20, subdivision 6; 156A.02, subdivision 3; 156A.031; 156A.04; 156A.07; 156A.10; and 156A.11."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 543, A bill for an act relating to animals; clarifying

regulations pertaining to dangerous dogs; prohibiting local ordinances that define specific breeds of dogs as dangerous; amending Minnesota Statutes 1988, sections 347.50, subdivisions 4, 5, and by adding a subdivision; 347.51, subdivision 5, and by adding subdivisions; 347.53; 347.54; and 609.226, subdivision 1.

Reported the same back with the following amendments:

Page 1, after line 9, insert:

"Section 1. Minnesota Statutes 1988, section 343.29, subdivision 1, is amended to read:

Subdivision 1. [DELIVERY TO SHELTER.] Any peace officer, animal control officer, or any agent of the federation or county or district societies for the prevention of cruelty, may remove, shelter, and care for any animal which is not properly sheltered from cold, hot, or inclement weather or any animal not properly fed and watered, or provided with suitable food and drink. When necessary, a peace officer, animal control officer, or agent may deliver the animal to another person to be sheltered and cared for, and furnished with suitable food and drink. In all cases, the owner, if known, shall be immediately notified, and the person having possession of the animal, shall have a lien thereon for its care and keeping, the reasonable value of the food and drink furnished, and the expenses of the notice. If the owner or custodian is unknown and cannot by reasonable effort be ascertained, or does not, within five days after notice, redeem the animal by paying the expenses authorized by this subdivision, the animal may be treated as an estray."

Page 2, after line 16, insert:

"Sec. 6. Minnesota Statutes 1988, section 347.51, subdivision 6, is amended to read:

Subd. 6. [COUNTIES WITHOUT LICENSING SYSTEMS.] If an owner of a dangerous dog resides in a county that does not license dogs under sections 347.08 to 347.21, the owner shall obtain a certificate as required under this section from the county auditor or other person designated by the county board in the county where the owner resides."

Page 2, after line 29, insert:

"Sec. 9. Minnesota Statutes 1988, section 347.51, is amended by adding a subdivision to read:

Subd. 9. [CONTRACTED SERVICES.] A county may contract

with another political subdivision or other person to provide the services required under sections 347.50 to 347.54."

Page 3, line 21, delete "killed" and insert "destroyed"

Page 3, line 23, delete "killing" and insert "destroying"

Page 3, line 26, delete "reasonable"

Page 4, line 4, delete "killed" and insert "destroyed"

Page 4, line 6, delete "killing" and insert "destroying"

Page 4, line 8, delete "reasonable"

Page 4, line 14, before "confining" insert ", impounding,"

Page 4, line 26, delete "8" and insert "11"

Page 4, line 27, delete "9" and insert "12"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 5, after "sections" insert "343.29, subdivision 1,"

Page 1, line 6, delete the second "subdivision" and insert "subdivisions"

Page 1, line 7, after the comma insert "6,"

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 621, A bill for an act relating to government operations; creating a drug abuse prevention resource council; providing for its membership, powers, and duties; appropriating money; amending Minnesota Statutes 1988, section 256.01, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 121; 144; and 152.

Reported the same back with the following amendments:

Page 2, line 20, delete "shall" and insert "may"

Page 3, line 5, delete "(10)" and insert "(7)"

Page 3, delete lines 14 to 16

Page 3, line 17, delete "(5)" and insert "(4)"

Page 3, line 20, delete "(6)" and insert "(5)"

Page 3, line 24, delete "(7)" and insert "(6)"

Page 3, line 27, delete "(8)" and insert "(7)"

Page 3, line 29, delete the semicolon and insert a period

Page 3, delete lines 30 to 36

Page 4, line 4, delete "and recommending" and insert ", describing efforts that have been made to enhance and improve utilization of existing resources and to identify deficits in prevention efforts, and recommending appropriate changes, including"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 622, A bill for an act relating to consumer protection; providing for enhanced civil penalties for deceptive acts targeted at senior citizens or vulnerable adults; providing factors a court may consider in determining to impose an enhanced civil penalty; providing that sums collected must be credited to the account of the state board on aging; amending Minnesota Statutes 1988, section 256.975, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 325F.

Reported the same back with the following amendments:

Page 1, lines 14 and 15 delete "VULNERABLE ADULTS" and insert "HANDICAPPED PERSONS"

Page 1, line 21, delete "vulnerable adults" and insert "handi-capped persons"

Page 1, line 23, delete "vulnerable adults" and insert "handi-capped persons"

Page 1, line 27, delete "vulnerable adults" and insert "handicapped persons"

Page 1, line 28, delete "VULNERABLE ADULTS" and insert "HANDICAPPED PERSONS"

Page 2, line 6, delete "Vulnerable adult" and insert "Handicapped person" and delete "18 years of age or"

Page 2, line 7, delete "older"

Page 2, line 8, after "that" insert "substantially"

Page 2, line 18, delete "one or more"

Page 2, lines 18 and 19, delete "vulnerable adults" and insert "handicapped persons"

Page 2, line 20, before the period insert ", if one or more of the factors in paragraph (b) are present"

Page 2, line 27, delete "to one or more" and insert "at"

Page 2, line 28, delete "vulnerable adults" and insert "handicapped persons"

Page 2, line 29, delete "one or more"

Page 2, line 30, delete "vulnerable adults" and insert "handicapped persons"

Page 3, line 1, delete "vulnerable adult" and insert "handicapped person"

Page 3, line 2, delete "one or more"

Page 3, lines 2 and 3, delete "vulnerable adults" and insert "handicapped persons"

Amend the title as follows:

Page 1, line 4, delete "vulnerable adults" and insert "handicapped persons"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 627, A bill for an act relating to motor carriers; exempting rear-end dump trucks operated by private agricultural carriers between point of production and point of processing from requirements for rear-end protection; amending Minnesota Statutes 1988, section 221.031, subdivision 2a.

Reported the same back with the following amendments:

Page 1, line 19, after "truck" insert "or other rear-unloading truck,"

Page 1, line 22, after "processing" insert "or storage"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 633, A bill for an act relating to motor vehicles; increasing and allocating fees and motor vehicle excise tax for dealer plates; restricting use of dealer plates; amending Minnesota Statutes 1988, section 168.27, subdivision 16.

Reported the same back with the following amendments:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1988, section 168.053, subdivision 1, is amended to read:

Subdivision 1. Any person, firm, or corporation engaged in the business of transporting motor vehicles owned by another, by delivering, by drive-away or towing methods, either singly or by means of the full mount method, the saddle mount method, the tow bar method, or any other combination thereof, and under their own power, vehicles over the highways of the state from the manufacturer or any other point of origin, to any point of destination, within or without the state; shall make application to the registrar for a drive-away in transit license. This application for annual license shall be accompanied by a registration fee of \$250 and contain such information as the registrar may require. Upon the filing of the application and the payment of the fee, the registrar shall issue to each drive-away operator a general distinguishing number, which number must be carried and displayed on the power unit consistent

with section 169.79 and such number shall remain on the vehicle while being operated within the state. Additional plates bearing the same distinguishing number desired by any drive-away operator may be secured from the registrar of motor vehicles upon the payment of a fee of \$2 \$5 for each set of additional license plates. Any person, firm, or corporation engaging in the business as a drive-away operator, of transporting and delivering by means of full mount method, the saddle mount method, the tow bar method, or any combination thereof, and under their own power, motor vehicles, who fails or refuses to file or cause to be filed an application, as is required by law, and to pay the fees therefor as the law requires, shall be found guilty of violating the provisions of sections 168.053 to 168.057; and, upon conviction, fined not less than \$50, and not more than \$100, and all costs of court. Each day so operating without securing the license and plates as required therein shall constitute a separate offense within the meaning thereof."

Page 1, line 16, after "for" insert "each of"

Page 2, after line 28, insert:

"Sec. 3. Minnesota Statutes 1988, section 168.27, subdivision 17, is amended to read:

Subd. 17. [APPLICATION.] Every licensed dealer in motor vehicles may make application upon a blank provided by the registrar for that purpose for a general distinguishing number for use upon all new or used motor vehicles being transported from the dealer's source of supply, or other place of storage, to the dealer's place of business, or to another place of storage, or from one dealer to another. A general distinguishing number shall be assigned by the registrar to the dealer for that purpose, and the registrar shall then issue to the dealer the number of plates as the dealer may request, upon the payment by the dealer to the registrar of the sum of \$2 \$5 per plate. The plates shall be known as "in transit" plates. The registrar may issue "in transit" plates, upon the payment of the sum of \$2 \$5 to the registrar, to dealers duly licensed in other states or provinces upon information furnished in the manner as the registrar may prescribe, and which satisfies the registrar that persons or companies applying therefor are duly licensed dealers under the laws of the states or provinces.

Sec. 4. Minnesota Statutes 1988, section 168.27, subdivision 22, is amended to read:

Subd. 22. [MOTORIZED BICYCLES, BOAT AND SNOWMOBILE TRAILERS.] Any person, copartnership or corporation having a permanent enclosed commercial building or structure either owned in fee or leased and engaged in the business, either exclusively or in addition to any other occupation, of selling motorized bicycles, boat trailers, horse trailers or snowmobile trailers, may apply to the

registrar for a dealer's license. Upon payment of a \$10 fee the registrar shall license the applicant as a dealer for the remainder of the calendar year in which the application was received. Thereafter the license may be renewed on or before the second day of January of each year by payment of a fee of \$10. The registrar shall issue to each dealer, upon request of the dealer, dealer plates as provided in subdivision 16 upon payment of ~~\$3~~ \$5 for each plate, and the plates may be used in the same manner and for the same purposes as is provided in subdivision 16. Except for motorized bicycle dealers, the registrar shall also issue to the dealer, upon request of the dealer, "in transit" plates as provided in subdivision 17 upon payment of a fee of \$2 \$5 for each plate. This subdivision shall not be construed to abrogate any of the provisions of this section as the same relates to the duties, responsibilities and requirements of persons, copartnerships or corporations engaged in the business, either exclusively or in addition to other occupations, of selling motor vehicles or manufactured homes."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, before the semicolon insert "and in transit plates"

Page 1, line 5, delete "section" and insert "sections 168.053, subdivision 1; and" and delete "subdivision 16" and insert "subdivisions 16, 17, and 22"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Otis from the Committee on Economic Development to which was referred:

H. F. No. 648, A bill for an act relating to employment; providing training and employment for low-income seniors; creating a hospitality host older worker tourism promotion program; prescribing duties for the commissioner of the department of jobs and training; proposing coding for new law in Minnesota Statutes, chapter 268.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Labor-Management Relations.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 656, A bill for an act relating to human services; providing for full reimbursement to counties for human services programs for the Red Lake Indian Reservation; appropriating money.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 703, A bill for an act relating to crime; expanding the theft statute to include the unauthorized use of a motor vehicle; making the penalties for receiving stolen property and issuing a dishonored check similar to the penalties for theft; including forged endorsements within the elements of the crime of check forgery; making technical corrections to the theft statute; amending Minnesota Statutes 1988, sections 609.52; 609.53, subdivisions 1 and 4; 609.535, subdivision 2a; and 609.631, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes 1988, sections 609.53, subdivisions 1a, 3, and 3a; and 609.55.

Reported the same back with the following amendments:

Page 10, line 5, before "PENALTY" insert "CRIMINAL" and after the headnote insert "(a)".

Page 10, after line 23, insert:

"(b) In a prosecution under this subdivision, the value of property received by the defendant in violation of this subdivision within any six-month period may be aggregated and the defendant charged accordingly in applying this subdivision. When two or more offenses are committed by the same person in two or more counties, the accused may be prosecuted in any county in which one of the offenses was committed for all of the offenses aggregated under this paragraph."

Pages 10 and 11, delete section 5

Page 11, line 17, strike "who" and insert "is guilty of check forgery, and may be sentenced under subdivision 4 if the person"

Page 11, line 18, after "defraud," insert "does any of the following:

(1)" and delete ", endorses,"

Page 11, line 22, strike everything after "authority"

Page 11, line 23, strike everything before the period and insert "<sub>2</sub>  
or

(2) falsely endorses or alters a check so that it purports to have been endorsed by another"

Page 11, line 32, delete "8" and insert "7"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 4, delete "and"

Page 1, line 5, delete everything before "similar"

Page 1, line 10, delete "609.535, subdivision 2a;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 736, A bill for an act relating to elections; eliminating a penalty for issuing certain election certificates; amending Minnesota Statutes 1988, section 211A.05, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 211A.05, subdivision 1, is amended to read:

Subdivision 1. [PENALTY.] A candidate who intentionally fails to file a report required by section 211A.02 is guilty of a misdemeanor. A member The treasurer of a committee that formed to promote or defeat a ballot question who intentionally fails to file a report required by section 211A.02 is guilty of a misdemeanor. Each candidate or treasurer of a committee formed to promote or defeat a ballot question shall certify to the filing officer that all reports

required by section 211A.02 have been submitted to the filing officer or that the candidate or committee has not received contributions or made disbursements exceeding \$750 in the calendar year. The certification shall be submitted to the filing officer no later than seven days after the general or special election. The secretary of state shall prepare blanks for this certification. An officer who issues a certificate of election to a candidate with knowledge that the candidate's financial statement has not been filed who has not certified that all reports required by section 211A.02 have been filed is guilty of a misdemeanor."

Delete the title and insert:

"A bill for an act relating to elections; altering a penalty for issuing certain election certificates; requiring certifications by certain committees; amending Minnesota Statutes 1988, section 211A.05, subdivision 1."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 782, A bill for an act relating to transportation; clarifying source of funds to be deposited in the rail service improvement account; requiring the commissioner of transportation to identify areas where insufficient rail service is detrimental to efficient transportation; providing for apportionment of costs for new grade crossings; providing for improvement of existing rail crossings; providing for reimbursement of expenses for maintaining signals and other safety devices; appropriating money; amending Minnesota Statutes 1988, sections 219.071, subdivision 1; 219.072; 222.49; 222.50, subdivisions 4, 5, 6, 7, and by adding a subdivision; 222.63, subdivision 8; and 398A.02; proposing coding for new law in Minnesota Statutes, chapter 219; repealing Minnesota Statutes 1988, section 222.50, subdivision 8.

Reported the same back with the following amendments:

Page 2, delete section 3

Page 7, line 8, delete "sections 1 and 2" and insert "section 1"

Renumber the sections in sequence

Amend the title as follows:

Page 1, delete line 15

Page 1, line 16, delete "chapter 219;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 945, A bill for an act relating to public employment; modifying the prohibition against bargaining certain retirement contributions; amending Minnesota Statutes 1988, sections 179A.03, subdivision 19, and by adding a subdivision; and 356.24.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 179A.03, subdivision 19, is amended to read:

Subd. 19. [TERMS AND CONDITIONS OF EMPLOYMENT.] "Terms and conditions of employment" means the hours of employment, the compensation therefor including fringe benefits except retirement contributions or benefits other than employer payment of, or contributions to, premiums for group insurance coverage of retired employees or severance pay, and the employer's personnel policies affecting the working conditions of the employees. In the case of professional employees the term does not mean educational policies of a school district. "Terms and conditions of employment" is subject to section 179A.07. "Terms and conditions of employment" includes employer payment of, or contributions to, premiums for group insurance coverage of retired employees regardless of whether the contributions are made to an insurance company, a self-insurance plan, a private sector employee welfare or pension benefit plan, or other entity that provides group insurance coverage to the retired employees.

Sec. 2. Minnesota Statutes 1988, section 356.24, is amended to read:

356.24 [SUPPLEMENTAL PENSION OR DEFERRED COMPENSATION PLANS, RESTRICTIONS UPON GOVERNMENT UNITS.]

(a) It is unlawful for a school district or other governmental

subdivision or state agency to levy taxes for, or contribute public funds to a supplemental pension or deferred compensation plan that is established, maintained, and operated in addition to a primary pension program for the benefit of the governmental subdivision employees other than:

(1) to a supplemental pension plan that was established, maintained, and operated before May 6, 1971;

(2) to a plan that provides solely for group health, hospital, disability, or death benefits, to the individual retirement account plan established by sections 354B.01 to 354B.04;

(3) to a plan that provides solely for severance pay under section 465.72 to a retiring or terminating employee; or

(4) to the state of Minnesota deferred compensation plan under section 352.96, if provided for in a personnel policy or in the collective bargaining agreement of the public employer with the exclusive representative of public employees in an appropriate unit, in an amount matching employee contributions on a dollar for dollar basis, but not to exceed an employer contribution of \$2,000 a year per employee.

(b) No change in benefits or employer contributions in a supplemental pension plan to which this section applies after May 6, 1971, is effective without prior legislative authorization.

(c) This section does not prohibit a school district or other governmental subdivision or state agency from contributing public funds to a private sector employee welfare or pension benefit plan that provides group insurance coverage for active or retired employees of the governmental unit.

Sec. 3. Minnesota Statutes 1988, section 471.616, subdivision 1, is amended to read:

Subdivision 1. [BIDDING REQUIRED.] No governmental subdivision, political subdivision, or any other body corporate and politic authorized by law to purchase group insurance for its employees and providing or intending to provide group insurance protections and benefits for 25 or more of its employees shall enter into a contract for or renew any group insurance policy or contract without calling for bids and awarding the contract to the lowest responsible bidder by way of competitive bidding procedures similar to those for the provision of services and supplies under section 16B.07, subdivisions 1 to 5. A political subdivision may provide in the bid specifications that self-insured health benefit plans will not be considered. Lowest responsible bidder means the insurer, service plan corporation, or self-insurance plan, if allowed by the bid specifications which offers

the lowest cost, is authorized to do business in this state, and is deemed by the governmental unit to be capable of satisfactorily performing the administration of the policy or contract in accordance with the bid specifications. Lowest responsible bidder may also mean a private sector employee welfare or pension benefit plan that provides group insurance coverage for certain active or retired employees of the governmental unit. "Cost" means in the case of an insurer, the net premium, including consideration of any expense and risk charges; in the case of service plan corporation, the charge for expenses and risk taking; and in the case of self-insurance plans, the sum of the cost of paid claims, including provision for estimated incurred but unpaid claims at the end of the term, administrative costs, and premium for excess coverage. The cost of changing plans may also be considered in determining the lowest cost. The aggregate value of benefits provided by a contract entered into after July 1, 1973, shall not be less than those provided by the preexisting contract (a) unless a majority of the employees covered under the group insurance plan and voting on the question agree to a reduction in the benefits, if the employees are not represented by an exclusive representative pursuant to section 179A.12, or (b) unless the public employer and the exclusive representative of the employees of an appropriate bargaining unit, certified under section 179A.12, agree to a reduction in the benefits.

No contract need be submitted to bid more frequently than once every 48 months, unless for any reason whatsoever, a 50 percent or greater change in the premium per covered employee under the policy contract is provided, required or indicated. If additional employees are added to an existing group pursuant to a joint powers agreement under section 471.59, new bids and award are not required.

When an insurer proposes an increase in rates, it shall accompany its proposal with an aggregate claims record for the appropriate period that explains the proposed increase. When a contract is resubmitted for bids the aggregate claims record shall accompany the specifications for the contract. Cost comparisons are not required between insured and self-insurance alternatives, but apply to comparisons between two or more insured proposals or comparisons between two or more self-insurance proposals."

Delete the title and insert:

"A bill for an act relating to public employment; modifying the prohibition against bargaining certain retirement contributions; amending Minnesota Statutes 1988, sections 179A.03, subdivision 19; 356.24; and 471.616, subdivision 1."

With the recommendation that when so amended the bill pass.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 951, A bill for an act relating to utilities; providing for the establishment of competitive electric utility rates for certain customers subject to effective competition; authorizing public utilities commission to require utility to initiate rate proceeding under limited circumstances; amending Minnesota Statutes 1988, sections 216B.045, subdivision 5; and 216B.17, subdivision 6, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 216B; repealing Minnesota Statutes 1988, section 216B.17, subdivisions 2, 3, 4, and 5.

Reported the same back with the following amendments:

Page 2, line 16, after "utility's" insert "own"

Page 2, line 18, delete "2,000" and insert "1,000"

Page 3, line 26, before "The" insert "Within its own assigned service territory,"

Page 5, line 23, delete everything after "section" and insert ". The review must include, but is not limited to, an analysis of the electric utilities changing capacity requirements due to approved competitive rates and a comprehensive evaluation of the impact of competitive electric rates on cogeneration and small power production in the state. The department shall submit its findings to the legislature by"

Page 6, after line 11, insert:

"Sec. 5. Laws 1987, chapter 371, section 4, is amended to read:

Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective the day following final enactment, ~~and~~ are repealed effective July 1, 1990."

Page 6, line 12, delete "5" and insert "6"

Page 6, line 15, delete "6" and insert "7"

Page 6, line 16, delete "5" and insert "6"

Amend the title as follows:

Page 1, line 7, after the semicolon insert "removing repealer of

laws providing for establishment of flexible gas utility rates for certain customers subject to effective competition;"

Page 1, line 9, after the semicolon insert "Laws 1987, chapter 371, section 4;"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 966, A bill for an act relating to highways; removing legislative route 249 from the trunk highway system.

Reported the same back with the following amendments:

Page 1, after line 4, insert:

"Section 1. Minnesota Statutes 1988, section 505.1792, subdivision 1, is amended to read:

Subdivision 1. In order to give supplemental information to the public as to the location of streets, county roads, county state-aid highways, ~~and town roads, and other transportation corridors,~~ and the right of way thereof, the governing body of any city, town, or county may file for record in the office of the county recorder and the registrar of titles of said county such maps or plats showing such information as the governing body shall determine necessary. The map or plat shall be subscribed by the mayor or chair of the governing body and the county surveyor, together with a certified copy of the resolution of the governing body setting forth the necessity for said plat, and shall be entitled to record without compliance with the provisions of this chapter. Any amendments, alterations, or vacations of such maps or plats so filed may be entitled to record in like manner."

Page 1, line 22, delete "1" and insert "2"

Re-number the remaining sections

Amend the title as follows:

Page 1, line 2, delete "highways" and insert "transportation; providing for the recording of transportation corridors other than streets or highways"

Page 1, line 3, after "system" insert "; amending Minnesota Statutes 1988, section 505.1792, subdivision 1"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 972, A bill for an act relating to drivers' licenses; providing that court administrators forward driver's license or permit applications and fees to the department of public safety by the next working day; requiring commissioner of public safety to conduct background study on applicant for school bus endorsement; amending Minnesota Statutes 1988, sections 171.06, subdivision 4; and 171.321, by adding a subdivision.

Reported the same back with the following amendments:

Page 2, delete lines 19 to 31, and insert:

"Subd. 3. [STUDY OF APPLICANT.] Before issuing or renewing a school bus endorsement, the commissioner shall conduct a criminal records check of the applicant. The commissioner may also conduct the check at any time while a person is so licensed. The check shall consist of a criminal records check from the state criminal record repository. If the applicant has resided in Minnesota for less than five years, the check shall include a criminal records check from the state law enforcement agencies in the states where the person has resided during the past five years and the national criminal records repository including the criminal justice data communications network. The applicant's failure to cooperate with the commissioner is reasonable cause to deny an application or cancel a school bus endorsement. The commissioner shall not release the results of the records check to any person except the applicant."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 973, A bill for an act relating to traffic regulations; regulating U-turns; providing for color and equipment requirements on school buses carrying ten or more persons; requiring flashing

amber light of school bus to be activated at least 300 feet before stopping to load or unload school children; providing for bumper requirements on private passenger vehicles and rear-end protection for other vehicles; amending Minnesota Statutes 1988, sections 169.19, subdivision 2; 169.44, subdivisions 1a and 2; and 169.73.

Reported the same back with the following amendments:

Pages 2 and 3, delete section 3 and insert:

"Sec. 3. Minnesota Statutes 1988, section 169.44, subdivision 2, is amended to read:

Subd. 2. [LOADING AND UNLOADING PASSENGERS; USE OF SIGNALS.] (a) ~~Drivers~~ A driver of a vehicle outwardly equipped and identified as a school bus shall actuate the prewarning flashing amber signals of the bus before stopping to load or unload a school child or children. The driver shall actuate the flashing amber signals at least 100 feet before stopping in a speed zone of 35 miles per hour or less and at least 300 feet when operating outside an incorporated municipality and at least 100 feet when operating within an incorporated municipality and, before stopping in a speed zone of more than 35 miles per hour. Upon stopping for such this purpose, ~~such drivers~~ the driver shall extend the stop signal arm and actuate the flashing red signals and shall not retract the stop signal arm and extinguish the flashing red signals until loading or unloading is completed and persons who must cross the street or highway are safely across.

(b) School bus drivers shall not actuate the prewarning flashing amber signals or flashing red signals:

(1) in special school bus loading areas where the bus is entirely off the traveled portion of the road;

(2) in residence or business districts of cities except when directed by the local school administrator;

(3) when a school bus is being used on a highway for purposes other than the actual transportation of school children to or from school or a school approved activity, in which event the words "school bus" on the front and rear of the bus shall be removed or completely concealed;

(4) at railroad grade crossings; and

(5) when loading and unloading persons while the bus is completely off the traveled portion of a separated, one-way roadway that has adequate shoulders. The driver shall drive the bus completely

off the traveled portion of a separated, one-way roadway with adequate shoulders before loading or unloading persons.

(c) Where school children must cross the road before boarding or after being discharged from the bus, the driver of a school bus or a school bus patrol may supervise such crossings making use of the standard school patrol flag or signal as approved and prescribed by the commissioner of public safety. When children are alighting from a school bus, the driver shall visually ascertain that alighting children shall be a safe distance from the bus before moving the bus.

(d) Vehicles not outwardly equipped and identified as school buses shall load or unload school children only from the right-hand side of the vehicle, except on a one-way street such vehicle shall load or unload school children only from the curb side of the vehicle."

Page 3, line 31, after "automobile" reinstate the stricken "as"

Page 3, line 33, strike "a station wagon" and delete "defined in"

Page 3, line 34, delete "section 168.011, subdivision 23," and after "van" insert "as"

Page 3, line 35, after "truck" insert "as"

Page 4, lines 4, 24, and 26, before "defined" insert "as"

Page 5, line 10, delete "or" and after "military vehicles" insert "and other vehicles specifically exempted by law from such requirements"

Amend the title as follows:

Page 1, line 4, delete "requiring" and insert "establishing conditions under which"

Page 1, delete lines 5 and 6

Page 1, line 7, delete "children" and insert "bus drivers must activate flashing amber lights"

With the recommendation that when so amended the bill pass.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 975, A bill for an act relating to counties; permitting

county appropriations for the arts; amending Minnesota Statutes 1988, section 375.18, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [471.94] [APPROPRIATION FOR ARTISTIC ACTIVITIES.]

For the purposes of this section, “artistic organization” means an association, corporation, or other group of persons that provides an opportunity for persons to participate in the creation, performance, or appreciation of artistic activities which include but are not limited to: music, dance, drama, folk art, architecture and allied fields, painting, sculpture, photography, graphic and craft arts, costume and fashion design, motion pictures, television, radio, tape and sound records, activities related to the presentation, performance, execution, and exhibition of the art forms, and the study of the arts and their application to the human environment.

A county, statutory or home rule charter city, or town may appropriate money to support artistic organizations. The appropriation may be divided among organizations in the proportions that the county board, city council, or town board determines.”

Delete the title and insert:

“A bill for an act relating to local government; permitting local government appropriations for the arts; proposing coding for new law in Minnesota Statutes, chapter 471.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 1008, A bill for an act relating to human services; clarifying and expanding the duties of the ombudsman for older Minnesotans; amending Minnesota Statutes 1988, sections 256.974; 256.9741, subdivisions 3 and 5; 256.9742; 256.9744, subdivision 1; and 256.975, subdivision 2, and by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 256.974, is amended to read:

**256.974 [OFFICE OF OMBUDSMAN FOR OLDER MINNESOTANS; LOCAL PROGRAMS.]**

The ombudsman for older Minnesotans serves in the classified service under section 256.01, subdivision 7, in an office within the Minnesota board on aging that incorporates the long-term care ombudsman program required by the Older Americans Act, Public Law Number 98-456 100-75, United States Code, title 42, section 3027(a)(12), and established within the Minnesota board on aging. The Minnesota board on aging may make grants to and designate local programs or area agencies on aging for the provision of ombudsman services to clients in county or multicounty areas. Individuals providing local ombudsman services must be qualified to perform the duties required by section 256.9742. The local program may not be an agency engaged in the provision of nursing home care, hospital care, or home care services either directly or by contract, or have the responsibility for planning, coordinating, funding, or administering nursing home care, hospital care, or home care services.

Sec. 2. Minnesota Statutes 1988, section 256.9741, subdivision 3, is amended to read:

Subd. 3. "Client" means an individual who requests, or on whose behalf a request is made for, ombudsman services and is (a) a resident of a long-term care facility or (b) a patient in an acute care facility who is eligible for Medicare and beneficiary who requests assistance relating to admission or discharge from an acute care facility access, discharge, or denial of inpatient or outpatient services, or (c) an individual reserving or requesting a home care service.

Sec. 3. Minnesota Statutes 1988, section 256.9741, subdivision 5, is amended to read:

Subd. 5. "Office" means the office of ombudsman established within the Minnesota board on aging or local ombudsman programs that the board on aging designates.

Sec. 4. Minnesota Statutes 1988, section 256.9741, is amended by adding a subdivision to read:

Subd. 6. "Home care service" means health, social, or supportive services provided to an individual for a fee in the individual's residence and in the community to promote, maintain, or restore health, or maximize the individual's level of independence, while minimizing the effects of disability and illness.

Sec. 5. Minnesota Statutes 1988, section 256.9742, is amended to read:

256.9742 [DUTIES AND POWERS OF THE OFFICE.]

Subdivision 1. [DUTIES.] The ombudsman shall:

(1) gather information and evaluate any act, practice, policy, procedure, or administrative action of a long-term care facility, acute care facility, home care service provider, or government agency that may adversely affect the health, safety, welfare, or rights of any client;

(2) mediate or advocate on behalf of clients;

(3) monitor the development and implementation of federal, state, or local laws, rules, regulations, and policies affecting the rights and benefits of clients;

(4) comment on and recommend to the legislature and public and private agencies regarding laws, rules, regulations, and policies affecting clients;

(5) inform public agencies about the problems of clients;

(6) provide for training of volunteers and promote the development of citizen participation in the work of the office;

(7) conduct public forums to obtain information about and publicize issues affecting clients;

(8) provide public education regarding the health, safety, welfare, and rights of clients; and

(9) collect and analyze data relating to complaints ~~and~~ conditions in long-term care facilities, and services.

Subd. 1a. [DESIGNATION; LOCAL OMBUDSMAN REPRESENTATIVES.] (a) In designating an individual to perform duties under this section, the ombudsman must determine that the individual is qualified to perform the duties required by this section.

(b) An individual designated under this section must successfully complete an orientation training conducted under the direction of the ombudsman or approved by the ombudsman. Orientation training shall be at least 20 hours and will consist of training in: investigation, dispute resolution, health care regulation, confidentiality, resident and patients' rights, and health care reimbursement.

(c) The ombudsman shall develop and implement a continuing education program for individuals designated under this section. The continuing education program shall be at least 60 hours annually.

(d) The ombudsman may withdraw an individual's designation if the individual fails to perform duties of this section or meet continuing education requirements. The individual may request a reconsideration of such action by the board on aging whose decision shall be final.

Subd. 2. [IMMUNITY FROM LIABILITY.] ~~A person designated as an~~ The ombudsman or designee under this section is immune from civil liability that otherwise might result from the person's actions or omissions if the person's actions are in good faith, are within the scope of the person's responsibilities as an ombudsman, and do not constitute willful or reckless misconduct.

Subd. 3. [POSTING.] Every long-term care facility and acute care facility shall post in a conspicuous place the address and telephone number of the office. A home care service provider shall provide all recipients with the address and telephone number of the office. The posting or notice is subject to approval by the ombudsman.

Subd. 4. [ACCESS TO LONG-TERM CARE AND ACUTE CARE FACILITIES AND CLIENTS.] The ombudsman or designee may:

- (1) enter any long-term care facility without notice at any time;
- (2) enter any acute care facility without notice during normal business hours;
- (3) enter any acute care facility without notice at any time to interview a patient or observe services being provided to the patient as part of an investigation of a matter that is within the scope of the ombudsman's authority, but only if the ombudsman's or designee's presence does not intrude upon the privacy of another patient or interfere with routine hospital services provided to any patient in the facility;
- (4) communicate privately and without restriction with any client in accordance with section 144.651; ~~and~~
- (4) (5) inspect records of a long-term care facility, home care service provider, or acute care facility that pertain to the care of the client according to sections 144.335 and 144.651; and
- (6) with the consent of a client or client's legal guardian, have access to review records pertaining to the care of the client according

to sections 144.335 and 144.651. If a client cannot consent and has no legal guardian, access to the records is authorized by this section.

A person who denies access to the ombudsman or designee in violation of this subdivision or aids, abets, invites, compels, or coerces another to do so is guilty of a misdemeanor.

Subd. 5. [ACCESS TO STATE RECORDS.] The ombudsman or designee has access to data of a state agency necessary for the discharge of the ombudsman's duties, including records classified confidential or private under chapter 13, or any other law. The data requested must be related to a specific case and is subject to section 13.03, subdivision 4. If the data concerns an individual, the ombudsman or designee shall first obtain the individual's consent. If the individual cannot consent and has no legal guardian, then access to the data is authorized by this section.

Each state agency responsible for licensing, regulating, and enforcing state and federal laws and regulations concerning long-term care, home care service providers, and acute care facilities shall forward to the ombudsman on a quarterly basis, copies of all correction orders, penalty assessments, and complaint investigation reports, for all long-term care facilities and, acute care facilities, and home care service providers.

Subd. 6. [PROHIBITION AGAINST DISCRIMINATION OR RETALIATION.] No entity shall take discriminatory, disciplinary, or retaliatory action against an employee or volunteer, or a patient, resident, or guardian or family member of a patient, resident, or guardian for filing in good faith a complaint with or providing information to the ombudsman or designee.

A person who violates this subdivision or who aids, abets, invites, compels, or coerces another to do so is guilty of a misdemeanor.

There shall be a rebuttable presumption that any adverse action, as defined below, within 90 days of report, is discriminatory, disciplinary, or retaliatory. For the purpose of this subdivision, the term "adverse action" refers to action taken by the entity involved in a report against the person making the report or the person with respect to whom the report was made because of the report, and includes, but is not limited to:

- (1) discharge or transfer from a facility;
- (2) termination of service;
- (3) restriction or prohibition of access to the facility or its residents;

- (4) discharge from or termination of employment;
- (5) demotion or reduction in remuneration for services; and
- (6) any restriction of rights set forth in section 144.651 or 144A.44.

Sec. 6. Minnesota Statutes 1988, section 256.9744, subdivision 1, is amended to read:

Subdivision 1. [CLASSIFICATION.] Except as provided in this section, data maintained by the office under sections 256.974 to 256.9744 are private data on individuals or nonpublic data as defined in section 13.02, subdivision 9 or 12, and must be maintained in accordance with the requirements of Public Law Number 98-459 100-75, United States Code, title 42, section 3027(a)(12)(D).

Sec. 7. Minnesota Statutes 1988, section 256.975, subdivision 2, is amended to read:

Subd. 2. [DUTIES.] The board shall carry out the following duties:

(a) to advise the governor and heads of state departments and agencies regarding policy, programs, and services affecting the aging;

(b) to provide a mechanism for coordinating plans and activities of state departments and citizens' groups as they pertain to aging;

(c) to create public awareness of the special needs and potentialities of older persons;

(d) to gather and disseminate information about research and action programs, and to encourage state departments and other agencies to conduct needed research in the field of aging;

(e) to stimulate, guide, and provide technical assistance in the organization of local councils on aging;

(f) to provide continuous review of ongoing services, programs and proposed legislation affecting the elderly in Minnesota; and

(g) to administer and to make policy relating to all aspects of the older americans act of 1965, as amended, including implementation thereof; and

(h) to award grants, enter into contracts, and adopt rules the Minnesota board on aging deems necessary to carry out the purposes of this section.

## Sec. 8. [APPROPRIATION.]

\$ . . . . . is appropriated from the general fund to the board on aging for the biennium ending June 30, 1991, for the purposes of sections 1 to 7."

Delete the title and insert:

"A bill for an act relating to human services; clarifying and expanding the duties of the ombudsman for older Minnesotans; providing penalties; appropriating money; amending Minnesota Statutes 1988, sections 256.974; 256.9741; subdivisions 3 and 5, and by adding a subdivision; 256.9742; 256.9744, subdivision 1; and 256.975, subdivision 2."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 1048, A bill for an act relating to vocational rehabilitation; requiring that 51 percent of the members of the board of directors of centers for independent living are persons with disabilities; changing the membership of the Minnesota council for the blind; amending Minnesota Statutes 1988, sections 129A.01, subdivision 9; and 248.10; subdivision 1.

Reported the same back with the following amendments:

Page 1, line 25, before the period, insert "to four-year terms"

Page 1, line 26, strike everything after the period

Page 1, strike line 27

Page 2, strike lines 1 to 3

Page 2, after line 3, insert:

"Sec. 3. [INITIAL TERMS.]

Notwithstanding the term prescribed by section 2, the commissioner of jobs and training shall determine the initial terms of members appointed as a result of the expansion of the Minnesota council for the blind under section 2."

Page 2, line 5, delete "and 2" and insert "to 3"

Renumber the remaining section

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 1081, A bill for an act relating to public health; limiting the sale of certain kinds of products; requiring warning signs; prescribing penalties; amending Minnesota Statutes 1988, sections 145.38, subdivision 1; and 145.39, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 145.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 145.38, subdivision 1, is amended to read:

Subdivision 1. No person shall sell to a person under ~~19~~ 18 years of age any glue ~~or~~, cement, or aerosol paint containing toluene, benzene, xylene, amyl nitrate, butyl nitrate, or other aromatic hydrocarbon solvents, or any similar substance which the state commissioner of health has, by rule adopted pursuant to sections 14.02, 14.04 to 14.36, 14.38, and 14.44 to 14.45, declared to have potential for abuse and toxic effects on the central nervous system. This section does not apply if the glue ~~or~~, cement, or aerosol paint is contained in a packaged kit for the construction of a model automobile, airplane, or similar item.

Sec. 2. [145.385] [WARNING SIGNS.]

A business establishment that offers for sale at retail any item as described in section 145.38, subdivision 1, must display a conspicuous sign that contains the following, or substantially similar, language:

"NOTICE

It is unlawful for a person to sell glue, cement, or aerosol paint containing intoxicating substances to a person under 18 years of age, except as provided by law. Such an offense is a misdemeanor. It

is also unlawful for a person to use or possess glue, cement, or aerosol paint with the intent of inducing intoxication, excitement, or stupefaction of the central nervous system. Such an offense is a misdemeanor. Such use can be harmful or fatal."

Sec. 3. Minnesota Statutes 1988, section 145.39, subdivision 1, is amended to read:

Subdivision 1. No person under 19 years of age shall use or possess any glue, cement, aerosol paint, or any other substance containing toluene, benzene, xylene, amyl nitrate, butyl nitrate, or other aromatic hydrocarbon solvents, or any similar substance which the state commissioner of health has, by rule adopted pursuant to sections 14.02, 14.04 to 14.36, 14.38, and 14.44 to 14.45, declared to have potential for abuse and toxic effects on the central nervous system with the intent of inducing intoxication, excitement or stupefaction of the central nervous system, except under the direction and supervision of a medical doctor.

Sec. 4. [145.406] [INFORMATION ON THE SALE AND USE OF TOXIC SUBSTANCES.]

The commissioner of health shall prepare and distribute materials designed to provide information to retail businesses on the requirements of sections 145.38 to 145.40.

Sec. 5. [254A.145] [INHALANT ABUSE DEMONSTRATION PROJECT.]

Within the limits of the available appropriation and notwithstanding the requirements of chapter 254B, the commissioner of human services shall create a demonstration project to provide intervention and to coordinate community services for inhalant abusers aged seven to 14. The project shall be established in a community that has been shown to be at great risk of such inhalant abuse and shall include assessment, education, and case management components. For individuals identified as inhalant abusers, case managers shall make referrals to services otherwise offered in the community. The case manager shall also monitor the progress of the individuals referred.

As part of this project, the commissioner of human services shall work with other agencies that provide services to youth and children, including education agencies and other drug treatment and counseling agencies, to increase public awareness concerning inhalant abuse among youth and children.

Sec. 6. [REPORT ON INHALANT ABUSE DEMONSTRATION PROJECT.]

The commissioner shall prepare a report on the outcome of the inhalant abuse demonstration project in section 5, to be presented to the legislature by February 1, 1991. In that report, the commissioner shall include information on the effectiveness of the chemical dependency treatment system for children under 14 years of age, particularly children who are inhalant abusers, and shall issue recommendations for the appropriate provision of services for this population group.

Sec. 7. [PLANNING GRANT.]

The commissioner of human services is authorized to award, for the biennium ending June 30, 1991, a planning grant to a public or private agency or program experienced in working with youth and inhalant/chemical abuse, in order to establish a treatment program for children under age 12 identified as inhalant abusers. This treatment program shall evaluate clients, provide treatment and aftercare services, and coordinate services provided with existing agencies. The agency or program receiving the planning grant must report program results and recommendations to the commissioner of human services by February 15, 1991.

Sec. 8. [APPROPRIATION.]

\$ . . . . . is appropriated from the general fund to the commissioner of health for the biennium ending June 30, 1991, for the purposes of section 4.

\$ . . . . . is appropriated from the general fund to the commissioner of human services for the biennium ending June 30, 1991, for the purposes of sections 5 and 7."

Delete the title and insert:

"A bill for an act relating to health and human services; limiting the sale of certain kinds of products; requiring warning signs; requiring the commissioner of health to distribute information on toxic substances; requiring the commissioner of human services to establish an inhalant abuse demonstration project; authorizing a planning grant; appropriating money; amending Minnesota Statutes 1988, sections 145.38, subdivision 1; and 145.39, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 145 and 254A."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Otis from the Committee on Economic Development to which was referred:

H. F. No. 1131, A bill for an act relating to Olmsted county; authorizing certain appropriations for economic and agricultural development.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Local Government and Metropolitan Affairs.

The report was adopted.

Otis from the Committee on Economic Development to which was referred:

H. F. No. 1162, A bill for an act relating to international trade; enhancing the Minnesota trade office's education and foreign representation activities; appropriating money; amending Minnesota Statutes 1988, section 116J.966, subdivision 1; repealing Minnesota Statutes 1988, section 116J.967.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [LEGISLATIVE FINDINGS.]

International trade is becoming increasingly important to the state's economy. The legislature identifies two international trade activities that must be enhanced to encourage Minnesota businesses to expand their exports of products and services.

First, the state should pursue an increased effort in educating and preparing interested businesses in exporting. This increased effort must include workshops, prepared written and video materials, and resource information about markets and trade leads. The trade office should build partnerships with other technical assistance providers to make educational materials and resource information more readily available to businesses. In addition, the trade office should use the existing satellite facilities to provide interactive workshops across the states.

Secondly, the state should also increase its presence in foreign countries to assist businesses in gaining a marketshare for Minnesota products and services. The legislature recognizes the successful partnerships with Minnesota corporations in establishing a presence in foreign countries and urges the trade office to continue this leveraging of private sector in-kind contributions. Where partner-

ships are not practicable and trade efforts look promising, the trade office should open trade offices as resources allow. The trade office should also enter into partnerships with other states, when competitively possible, to promote trade in foreign countries.

Sec. 2. Minnesota Statutes 1988, section 116J.966, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] (a) The commissioner shall promote, develop, and facilitate trade and foreign investment in Minnesota. In furtherance of these goals, and in addition to the powers granted by section 116J.035, the commissioner may:

(1) locate, develop, and promote international markets for Minnesota products and services;

(2) arrange and lead trade missions to countries with promising international markets for Minnesota goods, technology, services, and agricultural products;

(3) promote Minnesota products and services at domestic and international trade shows;

(4) organize, promote, and present domestic and international trade shows featuring Minnesota products and services;

(5) host trade delegations and assist foreign traders in contacting appropriate Minnesota businesses and investments;

(6) develop contacts with Minnesota businesses and gather and provide information to assist them in locating and communicating with international trading or joint venture counterparts;

(7) provide information, education, and counseling services to Minnesota businesses regarding the economic, commercial, legal, and cultural contexts of international trade;

(8) provide Minnesota businesses with international trade leads and information about the availability and sources of services relating to international trade, such as export financing, licensing, freight forwarding, international advertising, translation, and custom brokering;

(9) locate, attract, and promote foreign investment and business development in Minnesota to enhance employment opportunities in Minnesota;

(10) provide foreign businesses and investors desiring to locate facilities in Minnesota information regarding sources of governmental, legal, real estate, financial, and business services;

(11) undertake activities to support the world trade center; and

(12) enter into contracts or other agreements with private persons and public entities, including agreements to establish and maintain offices and other types of representation in foreign countries, to carry out the purposes of promoting international trade and attracting investment from foreign countries to Minnesota and to carry out this section, without regard to sections 16B.07 and 16B.09;

(13) enter into contracts or agreements with other states and Canadian provinces to jointly promote and develop international markets for common products and services, including trade offices and other types of representation in foreign countries; and

(14) coordinate the efforts between government, communities, educational institutions, and cultural institutions for establishing and maintaining international sister state relationships to further economic development ties and cultural and educational exchanges with foreign entities.

(b) The programs and activities of the commissioner of trade and economic development and the Minnesota trade division may not duplicate programs and activities of the commissioner of agriculture or the Minnesota world trade center corporation.

(c) The commissioner shall notify the chairs of the senate finance and house appropriations committees of each agreement under this subdivision to establish and maintain an office or other type of representation in a foreign country.

Sec. 3. Minnesota Statutes 1988, section 116J.966, is amended by adding a subdivision to read:

Subd. 3. [INTERNATIONAL INITIATIVES GRANT PROGRAM.] The commissioner may award grants to nonprofit organizations to support cultural and educational exchange programs that may lead to long-term trading relations. Grants must be matched with at least \$3 of nonstate funds for every dollar of the grant awarded under this section. The commissioner must establish eligibility criteria and must market the program statewide.

Sec. 4. [APPROPRIATION; EDUCATION AND FOREIGN REPRESENTATION.]

\$300,000 is appropriated from the general fund for the biennium ending June 30, 1991, to the commissioner of trade and economic development for the education and foreign representation activities outlined in section 1.

Sec. 5. [APPROPRIATION; SISTER STATE RELATIONSHIPS.]

\$50,000 is appropriated from the general fund for the biennium ending June 30, 1991, to the commissioner of trade and economic development for the coordination of the international sister state relationships under section 2.

Sec. 6. [APPROPRIATION; INTERNATIONAL INITIATIVES GRANTS.]

\$250,000 is appropriated from the general fund for the biennium ending June 30, 1991, to the commissioner of trade and economic development for the international initiatives grant program under section 3.

Sec. 7. [REPEALER.]

Minnesota Statutes 1988, section 116J.967, is repealed."

Amend the title as follows:

Page 1, line 6, after "1" insert ", and by adding a subdivision"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Otis from the Committee on Economic Development to which was referred:

H. F. No. 1163, A bill for an act relating to resource development; requiring a research study on the effect of aspen thinning; appropriating money.

Reported the same back with the following amendments:

Page 1, line 24, after "resources" delete "and"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Environment and Natural Resources.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1222, A bill for an act relating to St. Louis county;

regulating budget procedures; providing for certain recorder's fees; proposing coding for new law in Minnesota Statutes, chapter 383C; repealing Minnesota Statutes 1988, sections 383C.01, 383C.011, 383C.012, 383C.013, 383C.014, 383C.015, 383C.016, 383C.017, 383C.018, and 383C.019.

Reported the same back with the following amendments:

Page 5, after line 9, insert:

"Sec. 9. [383C.726] [LEGAL DESCRIPTION REQUIRED.]

Any document to be filed with the county recorder affecting a previously recorded mortgage, contract for deed, mechanic's lien, attorney's lien, judgment, lis pendens, or fixture financing statement must include a legal description of the encumbered property. This requirement is satisfied if:

- (1) the document itself contains a legal description of the property;
- (2) the legal description is attached to the document; or
- (3) a copy of part of another document that contains the legal description is attached to the document.

This section does not apply to documents relating to property registered under Minnesota Statutes, chapter 508.

Sec. 10. [383C.808] [TELEVISION SERVICE; ST. LOUIS COUNTY.]

St. Louis county may assess the cost of maintenance of television relay service upon residents of the following townships in St. Louis county who use the service: T67N,R19W; T67N,R20W; T67N,R21W; T68N,R19W; T68N,R20W; T68N,R21W; T69N,R19W; T69N,R20W; T69N,R21W; T70N,R19W; T70N,R20W; T70N,R21W; T71N,R20W; T71N,R21W. The costs shall be assessed annually against improved property and may be billed directly to them or collected with the property tax levied on real property owned by users. If the assessment is billed directly, it may be collected in the same manner as any other debt. If the assessment is collected with the property tax, it shall be administered as far as possible in the same manner as the property tax and be subject to the same penalties and conditions."

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 3, after "fees;" insert "requiring certain documents filed with the county recorder to include a legal description; allow-

ing the county to assess the cost of maintenance of television relay service;"

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 Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1321, A bill for an act relating to Cook county; permitting establishment of a county hospital district; authorizing the district's levy.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Health and Human Services.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1322, A bill for an act relating to Cook county; authorizing the county to appropriate money for county hospitals.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Health and Human Services.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1410, A bill for an act relating to local government; the towns of Crystal Bay, Beaver Bay, and Stony River, the cities of Beaver Bay and Silver Bay, and Unorganized Territory No. 1; permitting the establishment of a medical clinic district.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Health and Human Services.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

S. F. No. 104, A bill for an act relating to agriculture; making changes in the rural finance authority loan program; amending Minnesota Statutes 1988, sections 41B.02, subdivisions 12, 15, and 18; 41B.03, subdivision 3, and by adding a subdivision; 41B.039, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 41B; repealing Minnesota Statutes 1988, sections 41B.03, subdivision 4; and 41B.039, subdivisions 3, 4, and 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 41B.02, subdivision 12, is amended to read:

Subd. 12. [PRIMARY PRINCIPAL.] “Primary principal” means that portion of the outstanding balance on a loan covered by sections ~~41B.01 to 41B.23~~ section 41B.04 that is equal to the current market value of the property secured by the loan.

Sec. 2. Minnesota Statutes 1988, section 41B.02, subdivision 15, is amended to read:

Subd. 15. [SECONDARY PRINCIPAL.] “Secondary principal” means that portion of the principal outstanding on balance of a restructured loan covered by sections ~~41B.01 to 41B.23~~ section 41B.04 that is in excess of the current market value of the property secured by the loan.

Sec. 3. Minnesota Statutes 1988, section 41B.02, subdivision 18, is amended to read:

Subd. 18. [SELLER-SPONSORED LOAN.] “Seller-sponsored loan” means a loan in which part or all of the price of a farm is financed by a loan from the seller of the farm who is a natural person, a partnership, or a family farm corporation as defined in section 500.24, located in Minnesota. The loan must be secured by a real estate mortgage evidenced by one or more notes that may carry different interest rates or by a contract for deed. The definition of a seller-sponsored loan under this subdivision does not include a loan between persons within the second degree of kindred according to common law. A seller-sponsored loan may not be made to a person who has previously defaulted on a state loan or state guarantee of a loan.

Sec. 4. Minnesota Statutes 1988, section 41B.03, subdivision 3, is amended to read:

Subd. 3. [ELIGIBILITY FOR BEGINNING FARMER LOANS.] In addition to the requirements under subdivision 1, a prospective borrower for a beginning farm loan, including a seller-sponsored loan, in which the authority holds an interest, must:

(1) have sufficient education, training, or experience in the type of farming for which the loan is desired;

(2) have a total net worth, including assets and liabilities of the borrower's spouse and dependents, of less than \$100,000;

(3) demonstrate a need for the loan;

(4) demonstrate an ability to repay the loan;

(5) ~~demonstrate~~ certify that the agricultural land to be purchased will be used by the borrower for agricultural purposes; and

(6) ~~demonstrate~~ certify that farming will be the principal occupation of the borrower;

(7) agree to participate in a farm management program approved by the commissioner of agriculture for at least the first five years of the loan, if an approved program is available within 45 miles from the borrower's residence; and

(8) agree to file an approved soil and water conservation plan with the soil conservation service office in the county where the land is located. The commissioner of agriculture may compensate the borrower for the easement under section 40.43, subdivision 6, but is not required to do so.

Sec. 5. Minnesota Statutes 1988, section 41B.03, is amended by adding a subdivision to read:

Subd. 5. [ELIGIBILITY FOR SELLER-SPONSORED LOANS.] In addition to the requirements under subdivision 1, a prospective borrower under the seller-sponsored loan program must either meet the conditions of subdivision 3 if the person is a beginning farmer, or other conditions the authority prescribes if the person is reentering farming through the seller-sponsored loan program.

Sec. 6. Minnesota Statutes 1988, section 41B.039, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT.] The authority may establish, develop criteria, and implement a beginning farmer program. The program may include assistance for persons entering or reentering farming through the use of seller-sponsored loans.

## Sec. 7. [41B.042] [SELLER-SPONSORED PROGRAM.]

Subdivision 1. [ESTABLISHMENT.] The authority must, within 120 days after the effective date of this act, establish, develop criteria, and implement a seller-sponsored loan participation program to assist persons entering or reentering farming.

Subd. 2. [SECURITY.] Seller-sponsored loans in which the authority holds an interest must be secured by a real estate mortgage evidenced by one or more notes that may carry different interest rates or by a contract for deed.

Subd. 3. [EXCLUSIONS.] The authority may not participate in seller-sponsored loans made to a person who has previously defaulted on a state loan or a state guarantee of a loan, nor in a loan between persons within the second degree of kindred according to common law.

Subd. 4. [PARTICIPATION LIMIT; INTEREST.] The authority may participate in new seller-sponsored loans to the extent of 35 percent of the principal amount of the loan or \$50,000, whichever is less. The interest rates and repayment terms of the authority's participation interest may be different than the interest rates and repayment terms of the seller's retained portion of the loan.

The authority shall purchase a 35 percent participation interest in the contract for deed by taking a 35 percent assignment of the seller's interest.

## Sec. 8. [REPEALER.]

Minnesota Statutes 1988, sections 41B.03, subdivision 4; and 41B.039, subdivisions 3, 4, and 5, are repealed."

With the recommendation that when so amended the bill pass.

The report was adopted.

**SECOND READING OF HOUSE BILLS**

H. F. Nos. 269, 543, 627, 736, 945, 951, 966, 972, 973 and 975 were read for the second time.

**SECOND READING OF SENATE BILLS**

S. F. No. 104 was read for the second time.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

Jennings, Munger, Marsh, Price and Lynch introduced:

H. F. No. 1473, A bill for an act relating to drainage; changing and clarifying certain provisions related to drainage proceedings; enacting a landowners' bill of rights for drainage proceedings; amending Minnesota Statutes 1988, sections 106A.005, subdivision 9, and by adding subdivisions; 106A.202, subdivision 3; 106A.215, subdivision 5, and by adding a subdivision; 106A.241, subdivision 1; 106A.261, subdivisions 3 and 4; 106A.305, subdivision 1; 106A.315, subdivisions 3, 5, and 8; 106A.323, subdivision 2, and by adding a subdivision; 106A.341, subdivisions 1 and 2; 106A.525, subdivision 2; 106A.701, by adding a subdivision; 106A.705; 106A.745; and 106A.811, subdivisions 3, 5, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 106A; repealing Minnesota Statutes 1988, sections 106A.525, subdivisions 4 and 5; 106A.701, subdivision 1; and 106A.715.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Omann, Bertram, Uphus, Krueger and Wenzel introduced:

H. F. No. 1474, A resolution memorializing the President and Congress to enact a national ban and call for an international ban on bovine growth hormone.

The bill was read for the first time and referred to the Committee on Agriculture.

Ogren, Wenzel, Munger and Carlson, D., introduced:

H. F. No. 1475, A bill for an act relating to wild rice; clarifying requirements on packaging and labeling; requiring disclosure of origin; authorizing the construction of a greenhouse facility for the study of wild rice; providing technical assistance for marketing; appropriating money; amending Minnesota Statutes 1988, section 30.49.

The bill was read for the first time and referred to the Committee on Commerce.

Kinkel; Anderson, R.; Solberg; Hasskamp and Otis introduced:

H. F. No. 1476, A bill for an act relating to tourism; authorizing the commissioner of trade and economic development to make or participate in tourism-related loans; appropriating money; proposing coding for new law in chapter 116J.

The bill was read for the first time and referred to the Committee on Commerce.

Orenstein, Vellenga, Wagenius, Seaberg and Carlson, D., introduced:

H. F. No. 1477, A bill for an act relating to local government; exempting city of the first class from certain parking design standards; proposing coding for new law in Minnesota Statutes, chapter 162.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Orenstein; Pappas; Kahn; Carlson, D., and Kelly introduced:

H. F. No. 1478, A bill for an act relating to the community dispute resolution program; giving the state planning agency joint responsibility with the state court administrator's office for administration of the program; establishing eligibility criteria for grant recipients; appropriating money; amending Minnesota Statutes 1988, sections 494.01, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 494; repealing Minnesota Statutes 1988, sections 494.01, subdivisions 3, 4, and 5; and 494.04.

The bill was read for the first time and referred to the Committee on Judiciary.

Omann and Wenzel introduced:

H. F. No. 1479, A bill for an act relating to taxation; income; providing an exclusion for military retirement payments; amending Minnesota Statutes 1988, section 290.01, subdivision 19b.

The bill was read for the first time and referred to the Committee on Taxes.

Omann and Wenzel introduced:

H. F. No. 1480, A bill for an act relating to veterans; appropriating

money for use by the Vietnam Veterans of America in assisting veterans to make claims against the United States government.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Valento introduced:

H. F. No. 1481, A bill for an act relating to education; increasing the special education formula; indexing capital expenditure revenue; increasing the basic formula allowance; modifying the training and experience index; creating a cost of living revenue factor; amending Minnesota Statutes 1988, sections 124.243, subdivision 2; 124.244, subdivision 1; 124.32, subdivisions 1b and 1d; 124A.22, subdivisions 1, 2, 4, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

Frerichs introduced:

H. F. No. 1482, A bill for an act relating to the county of Olmsted; providing for approval of certain conveyancing instruments by county zoning administrator.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Williams, O'Connor and Nelson, C., introduced:

H. F. No. 1483, A bill for an act relating to housing; establishing a rent subsidy program for certain recipients receiving aid to families with dependent children assistance; appropriating money; amending Minnesota Statutes 1988, sections 462A.05, by adding a subdivision; and 462A.21, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Conway and O'Connor introduced:

H. F. No. 1484, A bill for an act relating to transitional housing; providing flexibility in the use of transitional housing money; providing for increased acquisition and rehabilitation of transitional housing; appropriating money; amending Minnesota Statutes 1988, section 462A.21, subdivisions 4k, 12, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

O'Connor, Cooper, Winter, Conway and Dempsey introduced:

H. F. No. 1485, A bill for an act relating to retirement; governmental employees in general; establishing a normal retirement age of 65 years; changing contribution rates; lowering minimum service periods required for annuities and disability benefits; applying a uniform percentage to all years of service; adopting a rule of 90; altering reductions for early retirement; increasing rates of interest on refunds; increasing interest assumptions; extending the date for full funding; granting authority for certain bylaw amendments; amending Minnesota Statutes 1988, sections 352.01, subdivision 19, and by adding a subdivision; 352.04, subdivisions 2 and 3; 352.113, subdivisions 1 and 12; 352.115, subdivisions 1, 2, and 3; 352.116, subdivisions 1, 2, 4, and by adding a subdivision; 352.12, subdivisions 1, 2, and 6; 352.22, subdivisions 2 and 3; 352.72, subdivisions 1, 2, and 5; 352.85, subdivision 1; 352.93, subdivisions 1 and 3; 352.95, subdivisions 2 and 5; 352B.01, subdivision 11; 352B.08, subdivision 1; 352B.11, subdivisions 1 and 2; 352B.30, subdivision 1; 353.01, by adding a subdivision; 353.27, subdivision 2; 353.29, subdivisions 1, 2, and 3; 353.30, subdivisions 1, 1a, 1b, 1c, and by adding a subdivision; 353.32, subdivisions 1 and 1a; 353.33, subdivisions 1, 3, and 11; 353.34, subdivisions 2, 3, and 3a; 353.651, subdivisions 1 and 2; 353.657, subdivision 2a; 353.71, subdivisions 1, 2, and 5; 353C.06, subdivisions 1, 2, and 4; 353C.08, subdivision 5; 354.05, by adding a subdivision; 354.35; 354.41, subdivision 3; 354.42, subdivisions 2 and 3; 354.44, subdivisions 1, 1a, 6, and 7; 354.46, subdivision 2; 354.47, subdivision 1; 354.48, subdivisions 1, 3, and 10; 354.49, subdivisions 2 and 3; 354.55, subdivision 11; 354.60; 354A.011, subdivision 20, and by adding a subdivision; 354A.12, subdivisions 1 and 2; 354A.21; 354A.31, subdivisions 1, 4, 5, 6, and by adding a subdivision; 354A.35, subdivisions 1 and 2; 354A.36, subdivisions 1, 3, and 10; 354A.37, subdivisions 2, 3, and 4; 354A.39; 356.215, subdivisions 4d and 4g; 356.30, subdivision 1; and 356.32, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 356; repealing Minnesota Statutes 1988, section 354A.32, subdivision 2.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Janezich, Rukavina and O'Connor introduced:

H. F. No. 1486, A bill for an act relating to retirement; teachers retirement association; permitting the purchase of prior service by certain persons employed by a school district cooperative.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Greenfield and Ogren introduced:

H. F. No. 1487, A bill for an act relating to human services; providing salary adjustments for semi-independent living services, day training and habilitation services, waived services, and intermediate care facilities for persons with mental retardation or related conditions; appropriating money; amending Minnesota Statutes 1988, sections 252.275, by adding a subdivision; 252.46, by adding a subdivision; and 256B.501, by adding subdivisions.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Carlson, L.; Vanasek; Otis; Kahn and Frerichs introduced:

H. F. No. 1488, A bill for an act relating to economic development; establishing the Minnesota Project Outreach Corporation; appropriating money.

The bill was read for the first time and referred to the Committee on Economic Development.

Wagenius; Carlson, D.; Kahn; Munger and Pauly introduced:

H. F. No. 1489, A bill for an act relating to solid waste; providing for household battery management programs; appropriating money; proposing coding for new law in Minnesota Statutes, chapters 115A and 297A.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Kelso introduced:

H. F. No. 1490, A bill for an act relating to taxation; property tax refund; providing a refund for property tax increases of over 20 percent from taxes payable in 1988 to taxes payable in 1990; amending Minnesota Statutes 1989, section 290A.04, subdivision 2h.

The bill was read for the first time and referred to the Committee on Taxes.

Scheid; Simoneau; Bertram; Olson, K., and Haukoos introduced:

H. F. No. 1491, A bill for an act relating to state government; authorizing the use of certain mechanical lifting devices in public buildings; amending Minnesota Statutes 1988, section 16B.61, subdivision 5.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Jacobs introduced:

H. F. No. 1492, A bill for an act relating to state parks; special permits for handicapped users; amending Minnesota Statutes 1988, section 85.053, subdivision 7.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Wenzel introduced:

H. F. No. 1493, A bill for an act relating to appropriations; appropriating money to the historical society for a grant.

The bill was read for the first time and referred to the Committee on Appropriations.

Winter introduced:

H. F. No. 1494, A bill for an act relating to public lands; prohibiting certain trespassing on public land; prescribing penalties; proposing coding for new law in Minnesota Statutes, chapter 92.

The bill was read for the first time and referred to the Committee on Judiciary.

Winter and Kelso introduced:

H. F. No. 1495, A bill for an act relating to transportation; imposing requirements on contracts for the repair, improvement, maintenance, and construction of highways and highway bridges; amending Minnesota Statutes 1988, section 16B.13.

The bill was read for the first time and referred to the Committee on Transportation.

Winter and Kelso introduced:

H. F. No. 1496, A bill for an act relating to transportation; repealing rule governing rental rates for trucks on highway projects; repealing Minnesota Rules, part 5200.1105.

The bill was read for the first time and referred to the Committee on Transportation.

Dorn, Jefferson, Tompkins, McLaughlin and Orenstein introduced:

H. F. No. 1497, A bill for an act relating to government data practices; authorizing release of certain data to state committee of blind vendors; amending Minnesota Statutes 1988, section 13.791, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Lynch, Jacobs, Jefferson, Quinn and Pellow introduced:

H. F. No. 1498, A bill for an act relating to telecommunications devices for the deaf; requiring the metropolitan airports commission and certain bus stations to provide telecommunications devices for deaf people; amending Minnesota Statutes 1988, section 473.608, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 256C.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Runbeck, Tunheim, Schafer, Hugoson and Ostrom introduced:

H. F. No. 1499, A bill for an act relating to education; creating a discretionary revenue program; authorizing a levy; proposing coding for new law in Minnesota Statutes, chapter 124A.

The bill was read for the first time and referred to the Committee on Education.

Haukoos, Onnen, Bertram, Milbert and Quinn introduced:

H. F. No. 1500, A bill for an act relating to taxation; sales and use; providing a refund for certain taxes paid by certain nonprofit organizations.

The bill was read for the first time and referred to the Committee on Taxes.

Poppenhagen introduced:

H. F. No. 1501, A bill for an act relating to education; appropriating money for a joint American Indian teacher education program by White Earth Reservation tribal council and Moorhead State University.

The bill was read for the first time and referred to the Committee on Education.

Poppenhagen introduced:

H. F. No. 1502, A bill for an act relating to education; extending the authority of Pine Point experimental school; amending Minnesota Statutes 1988, sections 128B.09 and 128B.10.

The bill was read for the first time and referred to the Committee on Education.

Poppenhagen introduced:

H. F. No. 1503, A bill for an act relating to state lands; authorizing conveyance of certain real property to the town of Round Lake.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Hugoson; Olson, K., and Kalis introduced:

H. F. No. 1504, A bill for an act relating to Martin county; permitting the county board to assign certain duties to the county recorder.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Frerichs and Tompkins introduced:

H. F. No. 1505, A bill for an act relating to taxes; modifying certain special assessment costs, procedures, and dates; amending Minnesota Statutes 1988, sections 429.051; 429.061, subdivisions 1, 2, and 3; and 429.081.

The bill was read for the first time and referred to the Committee on Taxes.

Sparby, Sarna, McEachern, Beard and Bennett introduced:

H. F. No. 1506, A bill for an act relating to commerce; regulating certain rentals of real property, membership camping practices, and subdivided land sales; amending Minnesota Statutes 1988, sections 82.18; 82.20, subdivision 13; 82A.02, subdivision 6; 83.20, by adding a subdivision; 83.30, subdivision 1; and 83.38, subdivisions 1 and 3.

The bill was read for the first time and referred to the Committee on Commerce.

Abrams; Greenfield; McLaughlin; Carlson, D., and Kalis introduced:

H. F. No. 1507, A bill for an act relating to traffic regulations; defining a handicapped person for purposes of parking privileges; amending Minnesota Statutes 1988, section 169.345, subdivision 2.

The bill was read for the first time and referred to the Committee on Transportation.

Nelson, K.; McEachern; Tunheim; Bauerly and Ozment introduced:

H. F. No. 1508, A bill for an act relating to education; creating an office within the department of education to coordinate efforts to transform education systems; proposing coding for new law in Minnesota Statutes, chapter 126.

The bill was read for the first time and referred to the Committee on Education.

Olsen, S.; Runbeck; Tompkins; Fellow and Schreiber introduced:

H. F. No. 1509, A bill for an act relating to education; providing for cost of living differential revenue; appropriating money; amending Minnesota Statutes 1988, section 124A.22, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 124A.

The bill was read for the first time and referred to the Committee on Education.

Ogren, Murphy and Carlson, D., introduced:

H. F. No. 1510, A bill for an act relating to local government; permitting Carlton county and the city of Cloquet to jointly provide a government building.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Ogren and Carlson, D., introduced:

H. F. No. 1511, A bill for an act relating to Aitkin county; allowing a special levy for economic development; amending Minnesota Statutes 1988, section 275.50, subdivision 5, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Olsen, S.; Knickerbocker; Abrams; Tjornhom and Henry introduced:

H. F. No. 1512, A bill for an act relating to education; lowering the general education levy; repealing levy equity; amending Minnesota Statutes 1988, section 124A.23, subdivisions 1 and 3; repealing Minnesota Statutes 1988, section 124A.24.

The bill was read for the first time and referred to the Committee on Education.

McEachern; Johnson, R.; Peterson; Ogren and Carlson, D., introduced:

H. F. No. 1513, A bill for an act relating to education; making state revenue available to American Indian controlled contract schools on reservations; proposing coding for new law in Minnesota Statutes, chapter 124.

The bill was read for the first time and referred to the Committee on Education.

Carruthers introduced:

H. F. No. 1514, A bill for an act relating to education; equalizing a portion of the referendum levy; proposing coding for new law in Minnesota Statutes, chapter 124A.

The bill was read for the first time and referred to the Committee on Education.

Frerichs, Tompkins and Runbeck introduced:

H. F. No. 1515, A bill for an act relating to human services; excluding church-sponsored religious instruction for preschoolers from day care licensing; amending Minnesota Statutes 1988, section 245A.03, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Frerichs and Scheid introduced:

H. F. No. 1516, A bill for an act relating to taxation; property taxation; modifying the method of determining certain adjusted assessed value; modifying the method of determining agricultural market value for property tax purposes; amending Minnesota Statutes 1988, sections 124.2131, subdivision 1; and 273.11, subdivision 1, and by adding a subdivision; repealing Minnesota Statutes 1988, section 273.11, subdivision 10.

The bill was read for the first time and referred to the Committee on Taxes.

Olsen, S.; Segal and Battaglia introduced:

H. F. No. 1517, A bill for an act relating to local government; authorizing the city of St. Louis Park to change the name of the housing and redevelopment authority; permitting the recording of certain deeds.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Orenstein, Pugh, Brown and Dempsey introduced:

H. F. No. 1518, A bill for an act relating to human services; clarifying requirements for third party liability for medical expenses paid by medical assistance; amending Minnesota Statutes, section 256B.042, subdivisions 1 and 5.

The bill was read for the first time and referred to the Committee on Health and Human Services.

The following Conference Committee Report was received:

CONFERENCE COMMITTEE REPORT ON H. F. NO. 214

A bill for an act relating to taxation; making technical corrections and clarifications to individual income and corporate franchise taxes; updating references to the Internal Revenue Code; imposing a tax and providing for withholding of certain payments to nonresidents; requiring surety payment by out-of-state contractors; amending Minnesota Statutes 1988, sections 290.01, subdivisions 4, 7, 19, 19a, 19b, 19c, 19d, 19e, and 19f; 290.06, subdivision 22; 290.067, subdivision 1; 290.0802, subdivisions 1 and 2; 290.095, subdivision 9; 290.17, subdivisions 1 and 2; 290.311, subdivision 1; 290.92, by adding subdivisions; and 291.005, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 290; repealing Minnesota Statutes 1988, section 290.01, subdivision 6a.

March 29, 1989

The Honorable Robert E. Vanasek  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

We, the undersigned conferees for H. F. No. 214, report that we have agreed upon the items in dispute and recommend as follows:

That the Senate recede from its amendment and that H. F. No. 214 be further amended as follows:

Page 4, line 36, reinstate the stricken "and"

Page 5, lines 3 to 12, delete the new language and reinstate the stricken language

Page 15, after line 23, insert:

"Sec. 10. Minnesota Statutes 1988, section 290.06, subdivision 2c, is amended to read:

Subd. 2c. [SCHEDULES OF RATES FOR INDIVIDUALS, ESTATES, AND TRUSTS.] (a) The income taxes imposed by this chapter upon married individuals filing joint returns and surviving spouses as defined in section 2(a) of the Internal Revenue Code of 1986 as amended through December 31, 1987, must be computed by applying to their taxable net income the following schedule of rates:

if taxable income is:	the tax is:
not over \$19,000	6 percent
over \$19,000	\$1,140 plus 8 percent of the excess over \$19,000

plus an amount computed using the following schedule of rates:

if taxable income is:	the tax is:
over \$75,500, but not over \$165,000	0.5 percent of the excess over \$75,500
over \$165,000	\$447.50.

Married individuals filing separate returns, estates, and trusts must compute their income tax by applying the above rates to their taxable income, except that the income brackets will be one-half of the above amounts. In the case of married individuals filing separately, the additional 0.5 percent tax provided in this subdivision shall be applied to taxable income over \$37,750, but not over \$127,500.

(b) The income taxes imposed by this chapter upon unmarried individuals must be computed by applying to taxable net income the following schedule of rates:

if taxable income is:	the tax is:
not over \$13,000	6 percent
over \$13,000	\$780 plus 8 percent of the excess over \$13,000

plus an amount computed using the following schedule of rates:

if taxable income is:	the tax is:
over \$42,700, but not over \$93,000	0.5 percent of the excess over \$42,700
over \$93,000	\$251.50.

(c) The income taxes imposed by this chapter upon unmarried individuals qualifying as a head of household as defined in section 2(b) of the Internal Revenue Code of 1986, as amended through December 31, 1987, must be computed by applying to taxable net income the following schedule of rates:

if taxable income is:	the tax is:
not over \$16,000	6 percent
over \$16,000	\$960 plus 8 percent of the excess over \$16,000

plus an amount computed using the following schedule of rates:

if taxable income is:	the tax is:
over \$64,300, but not	0.5 percent of the
over \$135,000	excess over \$64,300
over \$135,000	\$353.50.

(d) In lieu of a tax computed according to the rates set forth in this subdivision, the tax of any individual taxpayer whose taxable net income for the taxable year is less than an amount determined by the commissioner must be computed in accordance with tables prepared and issued by the commissioner of revenue based on income brackets of not more than \$100. The amount of tax for each bracket shall be computed at the rates set forth in this subdivision, provided that the commissioner may disregard a fractional part of a dollar unless it amounts to 50 cents or more, in which case it may be increased to \$1.

(e) An individual who is not a Minnesota resident for the entire year must compute the individual's Minnesota income tax as provided in this subdivision. After the application of the nonrefundable credits provided in this chapter, the tax liability must then be multiplied by a fraction in which:

(1) The numerator is the individual's Minnesota source federal adjusted gross income as defined in section 62 of the Internal Revenue Code of 1986, as amended through December 31, 1987, after applying the allocation and assignability provisions of section 290.081, clause (a), or 290.17; and

(2) the denominator is the individual's federal adjusted gross income as defined in section 62 of the Internal Revenue Code of 1986, as amended through December 31, 1987, increased by the addition required for interest income from non-Minnesota state and municipal bonds under section 290.01, subdivision 19a, clause (1).

(f) Any individual who has income which is included in the computation of federal adjusted gross income but is not subject to tax by Minnesota other than income specifically allowed as a subtraction under section 290.01, subdivision 19b, shall compute the tax in the same manner described in paragraph (e). The numerator of the fraction under paragraph (e) is the individual's Minnesota source federal adjusted gross income reduced by the income not subject to Minnesota tax and the denominator is the federal adjusted gross income."

Page 25, line 2, after "tax" insert "withheld under this subdivision"

Page 27, line 35, delete "or" and insert a comma and after "3," insert "or 28,"

Page 29, line 21, delete the second "in" and insert "at any time during"

Page 32, line 14, delete "17" and insert "18"

Page 32, line 16, delete "18 to 20" and insert "19 to 21" and delete "21" and insert "22"

Page 32, line 18, delete "22" and insert "23"

Page 32, line 20, delete "16" and insert "17"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 10, delete the first "subdivision" and insert "subdivisions 2c and"

We request adoption of this report and repassage of the bill.

House Conferees: DEE LONG, ALAN W. WELLE AND WILLIAM H. SCHREIBER

Senate Conferees: DOUGLAS J. JOHNSON, LAWRENCE J. POGEMILLER AND WILLIAM V. BELANGER

Welle moved that the report of the Conference Committee on H. F. No. 214 be adopted and that the bill be repassed as amended by the Conference Committee. The motion prevailed.

H. F. No. 214, A bill for an act relating to taxation; making technical corrections and clarifications to individual income and corporate franchise taxes; updating references to the Internal Revenue Code; imposing a tax and providing for withholding of certain payments to nonresidents; requiring surety payment by out-of-state contractors; amending Minnesota Statutes 1988, sections 290.01, subdivisions 4, 7, 19, 19a, 19b, 19c, 19d, 19e, and 19f; 290.06, subdivision 22; 290.067, subdivision 1; 290.0802, subdivisions 1 and 2; 290.095, subdivision 9; 290.17, subdivisions 1 and 2; 290.311, subdivision 1; 290.92, by adding subdivisions; and 291.005, subdivision 1; proposing coding for new law in Minnesota Statutes,

chapter 290; repealing Minnesota Statutes 1988, section 290.01, subdivision 6a.

The bill was read for the third time, as amended by Conference, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Krueger	Orenstein	Segal
Anderson, G.	Girard	Lasley	Osthoff	Simoneau
Anderson, R.	Greenfield	Lieder	Ostrom	Skoglund
Battaglia	Gruenes	Limmer	Otis	Solberg
Bauerly	Gutknecht	Long	Ozment	Sparby
Beard	Hartle	Lynch	Pappas	Stanius
Begich	Hasskamp	Macklin	Pauly	Steenasma
Bennett	Haukoos	Marsh	Pellow	Sviggum
Bertram	Heap	McDonald	Pelowski	Swenson
Bishop	Henry	McEachern	Peterson	Tjornhom
Blatz	Himle	McGuire	Poppenhagen	Tompkins
Boo	Hugoson	McLaughlin	Price	Trimble
Brown	Jacobs	McPherson	Pugh	Tunheim
Burger	Janezich	Milbert	Quinn	Uphus
Carlson, D.	Jaros	Miller	Redalen	Valento
Carlson, L.	Jefferson	Morrison	Reding	Vellenga
Carruthers	Jennings	Murphy	Rest	Wagenius
Clark	Johnson, A.	Nelson, C.	Rice	Waltman
Conway	Johnson, R.	Nelson, K.	Richter	Weaver
Cooper	Johnson, V.	Neuenschwander	Rodosovich	Welle
Dauner	Kahn	O'Connor	Rukavina	Wenzel
Dawkins	Kalis	Ogren	Rumbeck	Williams
Dempsey	Kelly	Olsen, S.	Sarna	Winter
Dille	Kelso	Olson, E.	Schafer	Wynia
Dorn	Kinkel	Olson, K.	Scheid	Spk. Vanasek
Forsythe	Knickerbocker	Omann	Schreiber	
Frederick	Kostohryz	Onnen	Seaberg	

The bill was repassed, as amended by Conference, and its title agreed to.

## MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 210, A bill for an act relating to counties; permitting counties to rent county-owned residences by less formal procedure;

amending Minnesota Statutes 1988, section 373.01, subdivision 1.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 323, A bill for an act relating to commerce; regulating motor vehicle sales and distribution; determining reasonable compensation for warranty services performed by dealers; amending Minnesota Statutes 1988, section 80E.04, subdivision 2.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 897, A bill for an act relating to local government; clarifying certain procedures for adoption of town optional plans of government; amending Minnesota Statutes 1988, sections 367.31, subdivisions 1, 2, 3, and 5; and 367.33, subdivisions 1 and 5.

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. 68, A bill for an act relating to taxation; making technical corrections to the property taxation of unmined iron ore; making technical corrections and clarifications to the corporate franchise tax; retroactively providing a corporate franchise tax modification for mining income or gains; clarifying the computation of mining occupation taxes; exempting S corporations from business activity report filing requirements; repealing an obsolete reference; amending Minnesota Statutes 1988, sections 273.1104, subdivision 2; 290.01, subdivision 19d; 290.015, subdivisions 2, 3, and 4; 290.092, subdivisions 2 and 4a; 290.191, subdivisions 6 and 11; 290.371; 298.01, subdivisions 3 and 4, and by adding subdivisions; and Laws 1988, chapter 719, article 2, section 57; repealing Minnesota Statutes 1988, section 52.22.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Welle moved that the House concur in the Senate amendments to H. F. No. 68 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 68, A bill for an act relating to taxation; making technical corrections to the property taxation of unmined iron ore; making technical corrections and clarifications to the corporate franchise tax; retroactively providing a corporate franchise tax modification for mining income or gains; clarifying the computation of mining occupation taxes; exempting S corporations from business activity report filing requirements; repealing an obsolete reference; amending Minnesota Statutes 1988, sections 273.1104, subdivision 2; 290.01, subdivision 19d; 290.015, subdivisions 2, 3, and 4; 290.092, subdivisions 2 and 4a; 290.191, subdivisions 6 and 11; 290.371; 298.01, subdivisions 3, 4, and by adding subdivisions; and Laws 1988, chapter 719, article 2, section 57; repealing Minnesota Statutes 1988, section 52.22.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Krueger	Onnen	Segal
Anderson, G.	Girard	Lasley	Orenstein	Simoneau
Anderson, R.	Greenfield	Lieder	Ostrom	Skoglund
Battaglia	Gruenes	Limmer	Otis	Solberg
Bauerly	Gutknecht	Long	Ozment	Sparby
Beard	Hartle	Lynch	Pappas	Stanis
Begich	Hasskamp	Macklin	Pauly	Steenasma
Bennett	Haukoos	Marsh	Pellow	Sviggum
Bertram	Heap	McDonald	Pelowski	Swenson
Bishop	Henry	McEachern	Peterson	Tjornhom
Blatz	Himle	McGuire	Poppenhagen	Tompkins
Boo	Hugoson	McLaughlin	Price	Trimble
Brown	Jacobs	McPherson	Pugh	Tunheim
Burger	Janezich	Milbert	Quinn	Uphus
Carlson, D.	Jaros	Miller	Redalen	Valento
Carlson, L.	Jefferson	Morrison	Reding	Vellenga
Carruthers	Jennings	Munger	Rest	Wagenius
Clark	Johnson, A.	Murphy	Rice	Waltman
Conway	Johnson, R.	Nelson, C.	Richter	Weaver
Cooper	Johnson, V.	Nelson, K.	Rodosovich	Welle
Dauner	Kahn	Neuenschwander	Rukavina	Wenzel
Dawkins	Kalis	O'Connor	Runbeck	Williams
Dempsey	Kelly	Ogren	Sarna	Winter
Dille	Kelso	Olsen, S.	Schafer	Wynia
Dorn	Kinkel	Olson, E.	Scheid	Spk. Vanasek
Forsythe	Knickerbocker	Olson, K.	Schreiber	
Frederick	Kostohryz	Omann	Seaberg	

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. 133, 435, 701, 46, 260 and 331.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 200, 493, 618, 108, 114 and 390.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 192, 681, 560, 60, 163, 218 and 388.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 134, 831, 271, 332 and 916.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 382, 82, 428, 273 and 478.

PATRICK E. FLAHAVEN, Secretary of the Senate

**FIRST READING OF SENATE BILLS**

S. F. No. 133, A bill for an act relating to statutes; providing free copies of Minnesota Statutes to public utilities commission; amending Minnesota Statutes 1988, section 3C.12, subdivision 2.

The bill was read for the first time and referred to the Committee on Regulated Industries.

S. F. No. 435, A bill for an act relating to veterans; changing admissions, discharge, and utilization review procedures for veterans homes; granting rulemaking authority to the veterans homes board; changing certain rights and presumptions; amending Minnesota Statutes 1988, sections 198.003; 198.007; 198.022; 198.03; and 198.32; proposing coding for new law in Minnesota Statutes, chapter 198.

The bill was read for the first time and referred to the Committee on Governmental Operations.

S. F. No. 701, A bill for an act relating to insurance; requiring coverage for child health supervision and prenatal services; clarifying certain definitions; amending Minnesota Statutes 1988, section 62A.047.

The bill was read for the first time and referred to the Committee on Insurance.

S. F. No. 46, A bill for an act relating to taxation; exempting leased hangars at airports in small cities from property taxation; amending Minnesota Statutes 1988, sections 272.01, subdivision 2; and 273.19, subdivision 1.

The bill was read for the first time and referred to the Committee on Taxes.

S. F. No. 260, A bill for an act relating to probate; providing for a statutory will; enacting the uniform statutory will act; proposing coding as Minnesota Statutes, chapter 524A.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 331, A bill for an act relating to notaries public;

eliminating the requirement that notaries be bonded; amending Minnesota Statutes 1988, sections 359.02 and 359.071.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 200, A bill for an act relating to insurance; regulating continuing insurance education; amending Minnesota Statutes 1988, section 60A.1701, subdivisions 1, 5, 7, 8, and 9; repealing Minnesota Rules, part 2725.0240.

The bill was read for the first time and referred to the Committee on Insurance.

S. F. No. 493, A bill for an act relating to juvenile court; expanding the definition of child in need of protection or services; expanding the child hearsay exception to include statements regarding the abuse or neglect of another child witnessed by the child making the statement; clarifying the authority of the court to order the temporary removal of a child due to immediate endangerment; amending Minnesota Statutes 1988, sections 260.015, subdivision 2a; 260.156; and 260.172, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 618, A bill for an act relating to education; exempting employment by a school district from certain requirements relating to employment of rehabilitated criminal offenders; amending Minnesota Statutes 1988, section 364.09.

The bill was read for the first time and referred to the Committee on Education.

S. F. No. 108, A bill for an act relating to natural resources; authorizing fees for special hunts; amending Minnesota Statutes 1988, section 97A.401, subdivision 4.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 114, A bill for an act relating to the town of St. Augusta; authorizing the establishment of a detached banking facility under certain conditions.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

S. F. No. 390, A bill for an act relating to state lands; authorizing sale of certain tax-forfeited land that borders public water in Todd county.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 192, A bill for an act relating to natural resources; increasing certain limits on security in lieu of bond for forestry development projects; amending Minnesota Statutes 1988, section 574.264, subdivision 1.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 681, A bill for an act relating to housing; changing terminology in the temporary housing demonstration program; extending the authorized duration of transitional housing; providing for an annual report to the legislature; amending Minnesota Statutes 1988, section 268.38, subdivisions 1, 2, 4, 8, 11, and 12.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

S. F. No. 560, A bill for an act relating to criminal procedure; providing for the Ramsey county attorney to prosecute certain gross misdemeanors; amending Minnesota Statutes 1988, section 388.051, subdivision 2.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 60, A bill for an act relating to water; recodifying, clarifying, and relocating provisions relating to water law; amending Minnesota Statutes 1988, sections 9.071; 16B.62, subdivision 1; 18.191; 18B.07, subdivision 6; 40A.13, subdivision 1; 41B.039, subdivision 3; 84.083, by adding subdivisions; 84.91, subdivision 4; 84.911, subdivisions 5 and 6; 84.95, subdivision 2; 85.33, subdivision 3; 86A.05, subdivision 10; 88.43, subdivision 2; 93.335, subdivision 1; 94.343, subdivision 4; 97A.015, subdivision 41; 97A.071, subdivision 4; 97A.101, subdivision 2; 115.097, subdivision 2; 144.95, subdivision 4; 156A.10, subdivision 2; 161.28, subdivision 1; 163.17; 272.02, subdivisions 1 and 6; 273.19, subdivision 5; 295.44, subdivi-

vision 1; 357.021, subdivision 2; 375.471; 383A.602, subdivision 5; 383A.604, subdivision 1; 394.25, subdivision 2; 459.20; 462.357, subdivision 1; 465.20; 469.141, subdivision 4; 469.174, subdivision 19; 471.345, subdivision 3; 471.591, subdivision 1; 471.98, subdivision 2; 473.191, subdivision 2; 609.68; and 645.44, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 83A; 97C; 156A; and 383B; proposing coding for new law as Minnesota Statutes, chapters 86B; 103A; 103B; 103C; 103D; 103E; 103F; and 103G; repealing Minnesota Statutes 1988, sections 40.01 to 40.45; 84.031; 84.032; and 84.158; 104.01 to 104.50; 105.37 to 105.81; 106A.005 to 106A.811; 110.13 to 110.72; 110B.01 to 110B.35; 112.34 to 112.89; 114.12 and 114.13; 114B.01 to 114B.07; 116C.41; 361.01 to 361.29; 378.01 to 378.57; 465.18; and 473.875 to 473.883.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 163, A bill for an act relating to traffic regulations; regulating U-turns; providing for color and equipment requirements on school buses carrying ten or more persons; establishing conditions under which school bus drivers must activate flashing amber lights; providing for bumper requirements on private passenger vehicles; amending Minnesota Statutes 1988, sections 169.19, subdivision 2; 169.44, subdivisions 1a and 2; and 169.73.

The bill was read for the first time.

Bauerly moved that S. F. No. 163 and H. F. No. 973, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 218, A bill for an act relating to health; amending the bill of rights for patients and residents of health facilities; requiring health facilities to notify family members of the admission of a patient or resident under certain circumstances; amending Minnesota Statutes 1988, section 144.651, subdivision 10.

The bill was read for the first time and referred to the Committee on Health and Human Services.

S. F. No. 388, A resolution memorializing the President and Congress to enact legislation to allow the use of flexible highway design standards in the interstate highway 35W corridor, to make federal money available for a light rail transit system, and to make funds available for the completion and repair of federal aid highways.

The bill was read for the first time and referred to the Committee on Transportation.

S. F. No. 134, A bill for an act relating to government data practices; authorizing release of certain data to state committee of blind vendors; amending Minnesota Statutes 1988, section 13.791, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Judiciary.

S. F. No. 831, A bill for an act relating to local government; permitting local government appropriations for the arts; proposing coding for new law in Minnesota Statutes, chapter 471.

The bill was read for the first time.

Steensma moved that S. F. No. 831 and H. F. No. 975, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 271, A bill for an act relating to game and fish; contents of firearms safety course for young hunters; amending Minnesota Statutes 1988, section 97B.015, subdivision 1.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 332, A bill for an act relating to game and fish; open season for walleyed pike on the Rainy River; amending Minnesota Statutes 1988, section 97C.403, subdivision 3.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

S. F. No. 916, A bill for an act relating to consumer protection; regulating landscape application contracts; providing penalties and remedies; proposing coding for new law in Minnesota Statutes, chapter 325F.

The bill was read for the first time.

McGuire moved that S. F. No. 916 and H. F. No. 1090, now on General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 382, A bill for an act relating to animals; clarifying regulations pertaining to dangerous dogs; granting certain powers to animal control officers; prohibiting local ordinances that define specific breeds of dogs as dangerous; amending Minnesota Statutes 1988, sections 343.20, by adding a subdivision; 343.29, subdivision 1; 347.50, subdivisions 4, 5, and by adding a subdivision; 347.51, subdivisions 5 and 6, and by adding subdivisions; 347.53; 347.54; and 609.226, subdivision 1.

The bill was read for the first time.

Scheid moved that S. F. No. 382 and H. F. No. 543, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 82, A bill for an act relating to workers' compensation; regulating the location for certain physical examinations; amending Minnesota Statutes 1988, section 176.155, subdivision 1.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

S. F. No. 428, A bill for an act relating to elections; authorizing the distribution of campaign material under certain conditions; proposing coding for new law in Minnesota Statutes, chapter 211B.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

S. F. No. 273, A bill for an act relating to education; establishing requirements for membership on an education district board; amending Minnesota Statutes 1988, section 122.92.

The bill was read for the first time and referred to the Committee on Education.

S. F. No. 478, A bill for an act relating to education; providing for donations to the permanent school fund; amending Minnesota Statutes 1988, sections 84.085 and 124.08.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

## CONSENT CALENDAR

H. E. No. 770, A bill for an act relating to state lands; directing conveyance of a certain tract in Beltrami 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 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Krueger	Onnen	Simoneau
Anderson, G.	Girard	Lasley	Orenstein	Skoglund
Anderson, R.	Greenfield	Lieder	Osthoff	Solberg
Battaglia	Gruenes	Limmer	Ostrom	Sparby
Bauerly	Gutknecht	Long	Otis	Stanius
Beard	Hartle	Lynch	Ozment	Steensma
Begich	Hasskamp	Macklin	Pappas	Sviggum
Bennett	Haukoos	Marsh	Pauly	Swenson
Bertram	Heap	McDonald	Pellow	Tjornhom
Bishop	Henry	McEachern	Pelowski	Tompkins
Blatz	Himle	McGuire	Peterson	Trimble
Boo	Hugoson	McLaughlin	Poppenhagen	Tunheim
Brown	Jacobs	McPherson	Pugh	Uphus
Burger	Janezich	Milbert	Quinn	Valento
Carlson, D.	Jaros	Miller	Redalen	Vellenga
Carlson, L.	Jefferson	Morrison	Reding	Wagenius
Carruthers	Jennings	Munger	Rest	Waltman
Clark	Johnson, A.	Murphy	Rice	Weaver
Conway	Johnson, R.	Nelson, C.	Richter	Welle
Cooper	Johnson, V.	Nelson, K.	Rodosovich	Wenzel
Dauner	Kahn	Neuenschwander	Rukavina	Williams
Dawkins	Kalis	O'Connor	Rumbeck	Winter
Dempsey	Kelly	Ogren	Sarna	Wynia
Dille	Kelso	Olsen, S.	Schafer	Spk. Vanasek
Dorn	Kinkel	Olsen, E.	Scheid	
Forsythe	Knickerbocker	Olson, K.	Schreiber	
Frederick	Kostohryz	Omann	Seaberg	

The bill was passed and its title agreed to.

Pelowski was excused for the remainder of today's session.

## CALENDAR

H. F. No. 603 was reported to the House and given its third reading.

Sparby moved that H. F. No. 603 be re-referred to the Committee on Appropriations. The motion prevailed.

H. F. No. 707, A bill for an act relating to horse racing; allowing a licensed racetrack to conduct pari-mutuel betting on televised races on days when races are not conducted at the licensed racetrack; allowing the licensed racetrack to commingle pari-mutuel pools with the sending racetrack; amending Minnesota Statutes 1988, sections 240.01, subdivision 10, and by adding a subdivision; 240.10; 240.13, subdivisions 1, 3, 6, and by adding a subdivision; 240.14, by adding a subdivision; and 240.29.

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 87 yeas and 44 nays as follows:

Those who voted in the affirmative were:

Abrams	Dempsey	Kinkel	Omann	Solberg
Anderson, G.	Dorn	Knickerbocker	Osthoff	Sparby
Anderson, R.	Frederick	Kostohryz	Pauly	Stanius
Battaglia	Frerichs	Krueger	Pellow	Sviggum
Bauerly	Girard	Lieder	Peterson	Swenson
Beard	Gruenes	Lynch	Price	Tompkins
Begich	Heap	Macklin	Quinn	Tunheim
Bennett	Himle	McDonald	Redalen	Uphus
Bertram	Hugoson	McEachern	Reding	Valento
Bishop	Jacobs	McLaughlin	Rest	Waltman
Blatz	Janezich	McPherson	Rukavina	Welle
Boo	Jaros	Milbert	Runbeck	Wenzel
Brown	Jennings	Morrison	Sarna	Williams
Carlson, D.	Johnson, A.	Nelson, C.	Schafer	Winter
Carlson, L.	Johnson, V.	Neuenschwander	Scheid	Spk. Vanasek
Carruthers	Kalis	O'Connor	Schreiber	
Dauner	Kelly	Ogren	Seaberg	
Dawkins	Kelso	Olsen, S.	Simoneau	

Those who voted in the negative were:

Burger	Hasskamp	Marsh	Ostrom	Skoglund
Clark	Haukoos	McGuire	Otis	Steensma
Conway	Henry	Miller	Ozment	Tjornhom
Cooper	Jefferson	Murphy	Pappas	Trimble
Dille	Johnson, R.	Nelson, K.	Poppenhagen	Vellenga
Forsythe	Kahn	Olson, E.	Pugh	Wagenius
Greenfield	Lasley	Olson, K.	Rice	Weaver
Gutknecht	Limmer	Onnen	Richter	Wynia
Hartle	Long	Orenstein	Rodosovich	

The bill was passed and its title agreed to.

S. F. No. 227, A bill for an act relating to health; enacting the uniform determination of death act; proposing coding for new law in Minnesota Statutes, chapter 145.

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	Frederick	Knickerbocker	Olson, E.	Schafer
Anderson, G.	Frerichs	Kostohryz	Olson, K.	Scheid
Anderson, R.	Girard	Krueger	Omann	Seaberg
Battaglia	Greenfield	Lasley	Onnen	Segal
Bauerly	Gruenes	Lieder	Orenstein	Simoneau
Beard	Gutknecht	Limmer	Osthoff	Skoglund
Begich	Hartle	Long	Ostrom	Solberg
Bennett	Hasskamp	Lynch	Otis	Sparby
Bertram	Haukoos	Macklin	Ozment	Stanius
Bishop	Heap	Marsh	Pappas	Steensma
Blatz	Henry	McDonald	Pauly	Sviggum
Boo	Himle	McEachern	Pellow	Swenson
Brown	Hugoson	McGuire	Peterson	Tjornhom
Burger	Jacobs	McLaughlin	Poppenhagen	Tompkins
Carlson, D.	Janezich	McPherson	Price	Trimble
Carlson, L.	Jaros	Milbert	Pugh	Tunheim
Carruthers	Jefferson	Miller	Quinn	Uphus
Clark	Jennings	Morrison	Redalen	Valento
Conway	Johnson, A.	Munger	Reding	Vellenga
Cooper	Johnson, R.	Murphy	Rest	Wagenius
Dauner	Johnson, V.	Nelson, C.	Rice	Waltman
Dawkins	Kahn	Nelson, K.	Richter	Weaver
Dempsey	Kalis	Neuenschwander	Rodosovich	Welle
Dille	Kelly	O'Connor	Rukavina	Wenzel
Dorn	Kelso	Ogren	Runbeck	Williams
Forsythe	Kinkel	Olsen, S.	Sarna	Winter
				Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 489, A bill for an act relating to employment; regulating fair share fees, unfair labor practices, arbitration procedures and grievance procedures; amending Minnesota Statutes 1988, sections 179.02, by adding a subdivision; 179A.03, subdivision 7; 179A.05, subdivision 6; 179A.06, subdivision 3; 179A.13, subdivision 1; 179A.14, subdivision 1; 179A.16, subdivisions 1, 2, 3, and 4; and 179A.20, subdivision 4.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Bennett	Carlson, D.	Dawkins	Girard
Anderson, G.	Bertram	Carlson, L.	Dempsey	Greenfield
Anderson, R.	Bishop	Carruthers	Dille	Gruenes
Battaglia	Blatz	Clark	Dorn	Gutknecht
Bauerly	Boo	Conway	Forsythe	Hartle
Beard	Brown	Cooper	Frederick	Hasskamp
Begich	Burger	Dauner	Frerichs	Haukoos

Heap	Lasley	O'Connor	Redalen	Swenson
Henry	Lieder	Ogren	Reding	Tjornhom
Himle	Limmer	Olsen, S.	Rest	Tompkins
Hugoson	Long	Olson, E.	Rice	Trimble
Jacobs	Lynch	Olson, K.	Richter	Tunheim
Janezich	Macklin	Omann	Rodosovich	Uphus
Jaros	Marsh	Onnen	Rukavina	Valento
Jefferson	McDonald	Orenstein	Runbeck	Vellenga
Jennings	McEachern	Osthoﬀ	Sarna	Wagenius
Johnson, A.	McGuire	Ostrom	Schafer	Waltman
Johnson, R.	McLaughlin	Otis	Scheid	Weaver
Johnson, V.	McPherson	Ozment	Seaberg	Welle
Kahn	Milbert	Pappas	Segal	Wenzel
Kalis	Miller	Pauly	Simoneau	Williams
Kelly	Morrison	Pellow	Skoglund	Winter
Kelso	Munger	Peterson	Solberg	Wynia
Kinkel	Murphy	Poppenhagen	Sparby	Spk. Vanasek
Knickerbocker	Nelson, C.	Price	Stanius	
Kostohryz	Nelson, K.	Pugh	Stensma	
Krueger	Neuenschwander	Quinn	Sviggum	

The bill was passed and its title agreed to.

H. F. No. 520, A bill for an act relating to state government; permitting additional types of payroll deductions for state employees; proposing coding for new law in Minnesota Statutes, chapter 16A.

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	Forsythe	Kelso	O'Connor	Rodosovich
Anderson, G.	Frederick	Kinkel	Ogren	Rukavina
Anderson, R.	Frerichs	Knickerbocker	Olsen, S.	Runbeck
Battaglia	Girard	Kostohryz	Olson, E.	Sarna
Bauerly	Greenfield	Krueger	Olson, K.	Schafer
Beard	Gruenes	Lasley	Omann	Scheid
Begich	Gutknecht	Lieder	Onnen	Seaberg
Bennett	Hartle	Limmer	Orenstein	Segal
Bertram	Hasskamp	Long	Osthoﬀ	Simoneau
Bishop	Haukoos	Lynch	Ostrom	Skoglund
Blatz	Heap	Macklin	Otis	Solberg
Boo	Henry	Marsh	Ozment	Sparby
Brown	Himle	McDonald	Pappas	Stanius
Burger	Hugoson	McEachern	Pauly	Stensma
Carlson, D.	Jacobs	McGuire	Pellow	Sviggum
Carlson, L.	Janezich	McLaughlin	Peterson	Swenson
Carruthers	Jaros	McPherson	Poppenhagen	Tjornhom
Clark	Jefferson	Milbert	Price	Tompkins
Conway	Jennings	Miller	Pugh	Trimble
Cooper	Johnson, A.	Morrison	Quinn	Tunheim
Dauner	Johnson, R.	Munger	Redalen	Uphus
Dawkins	Johnson, V.	Murphy	Reding	Valento
Dempsey	Kahn	Nelson, C.	Rest	Vellenga
Dille	Kalis	Nelson, K.	Rice	Wagenius
Dorn	Kelly	Neuenschwander	Richter	Waltman

Weaver  
WelleWenzel  
WilliamsWinter  
Wynia

Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 1056, A bill for an act relating to utilities; regulating noncompetitive and competitive telephone services; amending Minnesota Statutes 1988, sections 237.07; 237.081; 237.295, subdivisions 1 and 2; 237.57, subdivision 1; 237.58, subdivision 1; 237.59, subdivisions 1, 2, 3, and 6; 237.60, subdivisions 1 and 2; 237.62, subdivisions 1 and 2, and by adding a subdivision; 237.63, subdivision 1, and by adding subdivisions; and 237.64, subdivisions 1 and 2; Laws 1987, chapter 340, section 26; proposing coding for new law in Minnesota Statutes, chapter 237; repealing Minnesota Statutes 1988, sections 237.075, subdivision 1a; and 237.081, subdivision 3.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kostohryz	Omann	Seaberg
Anderson, G.	Frerichs	Krueger	Onnen	Segal
Anderson, R.	Girard	Lasley	Orenstein	Simoneau
Battaglia	Greenfield	Lieder	Osthoff	Skoglund
Bauerly	Gruenes	Limmer	Ostrom	Solberg
Beard	Gutknecht	Long	Otis	Sparby
Begich	Hartle	Lynch	Ozment	Stanis
Bennett	Hasskamp	Macklin	Pappas	Steenma
Bertram	Haukoos	Marsh	Pauly	Sviggum
Bishop	Heap	McDonald	Pellow	Swenson
Blatz	Henry	McEachern	Peterson	Tjornhom
Boo	Himle	McGuire	Poppenhagen	Tompkins
Brown	Hugoson	McPherson	Price	Trimble
Burger	Jacobs	Milbert	Pugh	Tunheim
Carlson, D.	Janezich	Miller	Quinn	Uphus
Carlson, L.	Jaros	Morrison	Redalen	Valento
Carruthers	Jefferson	Munger	Reding	Vellenga
Clark	Jennings	Murphy	Rest	Wagenius
Conway	Johnson, A.	Nelson, C.	Rice	Waltman
Cooper	Johnson, R.	Nelson, K.	Richter	Weaver
Dauner	Johnson, V.	Neuenschwander	Rodosovich	Welle
Dawkins	Kalis	O'Connor	Rukavina	Wenzel
Dempsey	Kelly	Ogren	Runbeck	Williams
Dille	Kelso	Olsen, S.	Sarna	Winter
Dorn	Kinkel	Olson, E.	Schafer	Spk. Vanasek
Forsythe	Knickerbocker	Olson, K.	Scheid	

The bill was passed and its title agreed to.

**GENERAL ORDERS**

Krueger moved that the bills on General Orders for today be continued. The motion prevailed.

**MOTIONS AND RESOLUTIONS**

Kelly moved that the name of Carruthers be shown as second author on H. F. No. 13. The motion prevailed.

Price moved that the name of Rukavina be added as an author on H. F. No. 56. The motion prevailed.

Skoglund moved that the names of Limmer and Wagenius be added as authors on H. F. No. 611. The motion prevailed.

Tunheim moved that the name of Olson, E., be stricken and the name of Conway be added as an author on H. F. No. 683. The motion prevailed.

Ostrom moved that his name be stricken as an author on H. F. No. 1303. The motion prevailed.

Wagenius moved that the name of Weaver be added as an author on H. F. No. 1345. The motion prevailed.

O'Connor moved that the name of Tjornhom be added as an author on H. F. No. 1347. The motion prevailed.

Pelowski moved that the name of Runbeck be added as an author on H. F. No. 1398. The motion prevailed.

Orenstein moved that the name of Cooper be added as an author on H. F. No. 1401. The motion prevailed.

Segal moved that the name of Clark be added as an author on H. F. No. 1424. The motion prevailed.

Dawkins moved that the name of Clark be added as an author on H. F. No. 1431. The motion prevailed.

Beard moved that the name of Sviggum be added as an author on H. F. No. 1460. The motion prevailed.

Stanisus moved that the name of Henry be added as an author on H. F. No. 1467. The motion prevailed.

Wenzel moved that the name of Dille be added as an author on H. F. No. 1471. The motion prevailed.

Wenzel moved that the name of Sparby be stricken and the names of Dille and Lasley be added as authors on H. F. No. 1472. The motion prevailed.

Bauerly moved that H. F. No. 972, now on Technical General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

Price moved that H. F. No. 56 be recalled from the Committee on Environment and Natural Resources and be re-referred to the Committee on Commerce. The motion prevailed.

O'Connor moved that H. F. No. 1405 be recalled from the Committee on Local Government and Metropolitan Affairs and be re-referred to the Committee on Regulated Industries. The motion prevailed.

#### ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 2:30 p.m., Thursday, April 6, 1989. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Thursday, April 6, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION—1989

## TWENTY-EIGHTH DAY

SAINT PAUL, MINNESOTA, THURSDAY, APRIL 6, 1989

The House of Representatives convened at 2:30 p.m. and was called to order by Robert E. Vanasek, Speaker of the House.

Prayer was offered by Monsignor Terrence J. Murphy, President of the College of St. Thomas, St. Paul, Minnesota.

The roll was called and the following members were present:

Abrams	Girard	Krueger	Onnen	Seaberg
Anderson, G.	Greenfield	Lasley	Orenstein	Segal
Anderson, R.	Gruenes	Lieder	Osthoff	Simoneau
Battaglia	Gutknecht	Limmer	Ostrom	Skoglund
Bauerly	Hartle	Long	Otis	Solberg
Beard	Hasskamp	Lynch	Spzment	Sparby
Begich	Haukoos	Macklin	Pappas	Stanius
Bertram	Heap	Marsh	Pauly	Steensma
Bishop	Henry	McDonald	Pellow	Sviggum
Blatz	Himle	McEachern	Pelowski	Swenson
Boo	Hugoson	McGuire	Peterson	Tjornhom
Brown	Jacobs	McPherson	Poppenhagen	Tompkins
Burger	Janezich	Milbert	Price	Trimble
Carlson, D.	Jaros	Miller	Pugh	Tunheim
Carlson, L.	Jefferson	Morrison	Quinn	Uphus
Carruthers	Jennings	Munger	Redalen	Valento
Clark	Johnson, A.	Murphy	Rest	Vellenga
Conway	Johnson, R.	Nelson, C.	Rice	Wagenius
Cooper	Johnson, V.	Nelson, K.	Richter	Waltman
Dawkins	Kahn	Neuenschwander	Rodosovich	Weaver
Dempsey	Kalis	O'Connor	Rukavina	Welle
Dille	Kelly	Ogren	Runbeck	Wenzel
Dorn	Kelso	Olsen, S.	Sarna	Williams
Forsythe	Kinkel	Olson, E.	Schafer	Winter
Frederick	Knickerbocker	Olson, K.	Scheid	Wynia
Frerichs	Kostohryz	Omann	Schreiber	Spk. Vanasek

A quorum was present.

McLaughlin and Reding were excused.

Dauner was excused until 3:10 p.m. Bennett was excused until 3:35 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Skoglund 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

Pursuant to Rules of the House, printed copies of H. F. Nos. 269, 543, 627, 736, 945, 951, 966, 975 and 973 and S. F. Nos. 163, 218, 388, 134, 831, 271, 332, 916, 382, 82, 428, 273, 478, 133, 435, 701, 46, 260, 331, 200, 493, 618, 108, 114, 390, 192, 681, 560, 60 and 104 have been placed in the members' files.

S. F. No. 916 and H. F. No. 1090, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

McGuire moved that the rules be so far suspended that S. F. No. 916 be substituted for H. F. No. 1090 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 382 and H. F. No. 543, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Scheid moved that the rules be so far suspended that S. F. No. 382 be substituted for H. F. No. 543 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 163 and H. F. No. 973, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Bauerly moved that the rules be so far suspended that S. F. No. 163 be substituted for H. F. No. 973 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 831 and H. F. No. 975, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Steensma moved that S. F. No. 831 be substituted for H. F. No. 975 and that the House File be indefinitely postponed. The motion prevailed.

## PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
ST. PAUL 55155

April 4, 1989

The Honorable Robert E. Vanasek  
Speaker of the House of Representatives  
The State of Minnesota

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 27, relating to crimes; expanding the definition of "substantial bodily harm" in the crime of second degree assault of an unborn child to include premature birth.

H. F. No. 14, relating to crimes; restitution; revising current procedures relating to the ordering and collection of restitution.

Sincerely,

RUDY PERFICH  
Governor

STATE OF MINNESOTA  
OFFICE OF THE SECRETARY OF STATE  
ST. PAUL 55155

The Honorable Robert E. Vanasek  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1989 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F.</i>	<i>H.F.</i>	<i>Session Laws</i>	<i>Time and</i> <i>Date Approved</i>	<i>Date Filed</i>
<i>No.</i>	<i>No.</i>	<i>Chapter No.</i>	<i>1989</i>	<i>1989</i>
25		19	14:03-April 4	April 4
	27	20	14:02-April 4	April 4
	14	21	14:01-April 4	April 4

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

## REPORTS OF STANDING COMMITTEES

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 71, A bill for an act relating to economic development; authorizing counties to establish economic development authorities; amending Minnesota Statutes 1988, sections 469.090, by adding a subdivision; 469.091, subdivision 1, and by adding a subdivision; 469.092, subdivisions 1, 3, 4, and 5; 469.093, subdivision 1; 469.094, subdivisions 1, 2, and 3; 469.095; 469.097, subdivisions 3, 5, and 6; 469.099, subdivision 3; 469.100, subdivisions 2, 3, 4, 5, and 6; 469.101, subdivisions 1, 4, 15, and 16; 469.102, subdivisions 1, 2, 4, and 5; 469.103, subdivisions 1 and 6; 469.105, subdivisions 1 and 4; and 469.107.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 123, A bill for an act relating to courts; creating a new judicial district; amending Minnesota Statutes 1988, section 2.722, subdivision 1.

Reported the same back with the following amendments:

Page 2, line 13, after "Mahnomem," insert "Lake of the Woods, Clearwater."

Page 2, line 15, delete "seven" and insert "eight"

Page 2, line 22, delete "Lake of"

Page 2, line 23, delete "the Woods, Clearwater," and delete "13" and insert "12"

Page 2, after line 25, insert:

"Sec. 2. [APPROPRIATION.]

The sum of \$112,622 is appropriated from the general fund to the supreme court for implementation of section 1."

Amend the title as follows:

Page 1, line 2, after the second semicolon insert "appropriating money;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 127, A bill for an act relating to corporations; providing for the simplification of certain filings made with the office of the secretary of state; changing the recipients of certain notices; modifying the definition of address to include zip codes; appropriating money; amending Minnesota Statutes 1988, sections 302A.011, subdivision 3; 302A.123, subdivision 1; 302A.821, subdivision 1;

303.02, subdivision 5; 303.10, subdivision 2; 303.13, subdivision 2; 303.14, subdivision 1; and 303.17, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 5.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Skoglund from the Committee on Insurance to which was referred:

H. F. No. 150, A bill for an act relating to health care; providing a program of affordable health care coverage for Minnesota residents; creating a health care access commission to implement and administer the program; establishing eligibility requirements and funding sources; modifying income eligibility requirements for medical assistance; imposing penalties; appropriating money; amending Minnesota Statutes 1988, section 256B.056, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 290; proposing coding for new law as Minnesota Statutes, chapter 62J.

Reported the same back with the following amendments:

Page 2, line 4, delete "system" and insert "program of last resort"

Page 2, line 31, before the semicolon insert ", including its coordination with other government-subsidized programs"

Page 4, delete lines 34 to 36

Page 5, delete lines 1 to 4

Page 5, line 5, delete "4" and insert "3"

Page 5, line 13, delete "5" and insert "4"

Page 5, line 15, delete "expressed in"

Page 5, line 16, delete everything before "recognizing"

Page 5, line 30, after "(1)" insert "inpatient and outpatient" and delete "for not more than" and insert ", but coverage for inpatient hospital services shall not exceed" and before the semicolon insert "in any calendar year"

Page 5, line 32, after "conditions" insert "covered under this subdivision"

Page 5, line 34, after "(3)" insert "prenatal and well child care and other"

Page 6, line 2, delete everything after "(6)" and insert "maternity benefits, subject to section 62A.041,"

Page 7, line 3, delete "and"

Page 7, line 6, delete the period and insert "; and

(7) any charge for inpatient or outpatient mental health or chemical dependency treatment."

Page 7, line 19, delete "this subdivision" and insert "paragraph (a), clause (3)"

Page 7, after line 21, insert:

"(e) Coverage under this subdivision does not include any coverages otherwise required under chapters 62A, 62C, 62D, or 62E unless they are specifically referred to in this subdivision."

Page 7, line 36, delete "or"

Page 8, line 2, after "62E" insert "; or the state comprehensive health insurance plan,"

Page 8, line 10, delete "a person"

Page 8, delete lines 11 and 12 and insert "an individual who is currently and has been a resident of Minnesota for the six months immediately preceding the date of receipt by the commission or its carrier of a completed application for coverage and who meets the eligibility requirements of section 6."

Page 19, after line 29, insert:

### "ARTICLE 3

#### Section 1. [SEVERABILITY.]

If any provision of articles 1 or 2 of this act are found to be unconstitutional and void, the remainder of those articles shall remain valid.

#### Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 159, A bill for an act relating to crimes; providing for termination, cancellation, and forfeiture of real estate interests related to contraband or controlled substance seizures; amending Minnesota Statutes 1988, sections 559.21, by adding a subdivision; 566.02; 609.531; 609.5311, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapters 566 and 609.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 566.02, is amended to read:

**566.02 [UNLAWFUL DETENTION OF LANDS OR TENEMENTS SUBJECT TO FINE.]**

When any person has made unlawful or forcible entry into lands or tenements, and detains the same, or, having peaceably entered, unlawfully detains the same, the person entitled to the premises may recover possession thereof in the manner hereinafter provided. A seizure under section 6, subdivision 1, for which there is not a defense under section 6, subdivision 3, constitutes unlawful detention by the tenant.

**Sec. 2. [566.021] [NOTICE OF SEIZURE PROVISION.]**

Landlords shall give written notice to tenants of the provision relating to seizures in section 566.02. Failure to give such notice does not subject the landlord to criminal or civil liability and is not a defense under section 6, subdivision 3.

Sec. 3. Minnesota Statutes 1988, section 609.531, is amended to read:

**609.531 [FORFEITURES.]**

**Subdivision 1. [DEFINITIONS.]** For the purpose of sections 609.531 to ~~609.5316~~ 609.5317, the following terms have the meanings given them.

(a) "Conveyance device" means a device used for transportation and includes, but is not limited to, a motor vehicle, trailer, snowmobile, airplane, and vessel and any equipment attached to it. The term "conveyance device" does not include property which is, in fact, itself stolen or taken in violation of the law.

(b) "Weapon used" means a weapon used in the furtherance of a crime and defined as a dangerous weapon under section 609.02, subdivision 6.

(c) "Property" means property as defined in section 609.52, subdivision 1, clause (1).

(d) "Contraband" means property which is illegal to possess under Minnesota law.

(e) "Appropriate agency" means the bureau of criminal apprehension, the Minnesota state patrol, a county sheriff's department, or a city or airport police department.

(f) "Designated offense" includes:

(1) For weapons used: any violation of this chapter;

(2) For all other purposes: a felony violation of, or a felony-level attempt or conspiracy to violate, section 609.185; 609.19; 609.195; 609.21; 609.221; 609.222; 609.223; 609.2231; 609.24; 609.245; 609.25; 609.255; 609.322, subdivision 1 or 2; 609.342, subdivision 1, clauses (a) to (f); 609.343, subdivision 1, clauses (a) to (f); 609.344, subdivision 1, clauses (a) to (e), and (h) to (j); 609.345, subdivision 1, clauses (a) to (e), and (h) to (j); 609.42; 609.425; 609.466; 609.485; 609.487; 609.52; 609.525; 609.53; 609.54; 609.551; 609.561; 609.562; 609.563; 609.582; 609.59; 609.595; 609.631; 609.671, subdivisions 3, 4, and 5; 609.687; 609.821; 609.825; 609.86; 609.88; 609.89; or 617.246.

(g) "Controlled substance" has the meaning given in section 152.01, subdivision 4.

Subd. 1a. [CONSTRUCTION.] Sections 609.531 to 609.5316 609.5317 must be liberally construed to carry out the following remedial purposes:

(1) to enforce the law;

(2) to deter crime;

(3) to reduce the economic incentive to engage in criminal enterprise;

(4) to increase the pecuniary loss resulting from the detection of criminal activity; and

(5) to forfeit property unlawfully used or acquired and divert the property to law enforcement purposes.

Subd. 4. [SEIZURE.] Property subject to forfeiture under sections 609.531 to ~~609.5316~~ 609.5317 may be seized by the appropriate agency upon process issued by any court having jurisdiction over the property. Property may be seized without process if:

- (1) the seizure is incident to a lawful arrest or a lawful search;
- (2) the property subject to seizure has been the subject of a prior judgment in favor of the state in a criminal injunction or forfeiture proceeding under this chapter; or
- (3) the appropriate agency has probable cause to believe that the delay occasioned by the necessity to obtain process would result in the removal or destruction of the property and that:
  - (i) the property was used or is intended to be used in commission of a felony; or
  - (ii) the property is dangerous to health or safety.

If property is seized without process under clause (3), subclause (i), the county attorney must institute a forfeiture action under section 609.5313 as soon as is reasonably possible.

Subd. 5. [RIGHT TO POSSESSION VESTS IMMEDIATELY; CUSTODY OF SEIZED PROPERTY.] All right, title, and interest in property subject to forfeiture under sections 609.531 to ~~609.5316~~ 609.5317 vests in the appropriate agency upon commission of the act or omission giving rise to the forfeiture. Any property seized under sections 609.531 to 609.5316 is not subject to replevin, but is deemed to be in the custody of the appropriate agency subject to the orders and decrees of the court having jurisdiction over the forfeiture proceedings. When property is so seized, the appropriate agency may:

- (1) place the property under seal;
- (2) remove the property to a place designated by it;
- (3) in the case of controlled substances, require the state board of pharmacy to take custody of the property and remove it to an appropriate location for disposition in accordance with law; and

(4) take other steps reasonable and necessary to secure the property and prevent waste.

Subd. 5a. [BOND BY OWNER FOR POSSESSION.] If the owner of property that has been seized under sections 609.531 to 609.5316 609.5317 seeks possession of the property before the forfeiture action is determined, the owner may, subject to the approval of the appropriate agency, give security or post bond payable to the appropriate agency in an amount equal to the retail value of the seized property. On posting the security or bond, the seized property must be returned to the owner and the forfeiture action shall proceed against the security as if it were the seized property. This subdivision does not apply to contraband property.

Subd. 6a. [FORFEITURE A CIVIL PROCEDURE; CONVICTION RESULTS IN PRESUMPTION.] (a) An action for forfeiture is a civil in rem action and is independent of any criminal prosecution, except as provided in this subdivision. The appropriate agency handling the forfeiture has the benefit of the evidentiary presumption of section 609.5314, subdivision 1, but otherwise bears the burden of proving the act or omission giving rise to the forfeiture by clear and convincing evidence, except that in cases arising under section 609.5312, the designated offense may only be established by a felony level criminal conviction.

(b) A court may not issue an order of forfeiture under section 609.5311 while the alleged owner of the property is in custody and related criminal proceedings are pending against the alleged owner. For forfeiture of a motor vehicle, the alleged owner is the registered owner according to records of the department of public safety. For real property, the alleged owner is the owner of record. For other property, the alleged owner is the person notified by the prosecuting authority in filing the forfeiture action.

Sec. 4. Minnesota Statutes 1988, section 609.5311, subdivision 2, is amended to read:

Subd. 2. [ASSOCIATED PROPERTY.] All property, real and personal, that has been used, or is intended for use, or has in any way facilitated, in whole or in part, the manufacturing, compounding, processing, delivering, importing, cultivating, exporting, transporting, or exchanging of contraband or a controlled substance that has not been lawfully manufactured, distributed, dispensed, and acquired is subject to forfeiture under this section, except as provided in subdivision 3.

Sec. 5. Minnesota Statutes 1988, section 609.5311, subdivision 3, is amended to read:

Subd. 3. [LIMITATIONS ON FORFEITURE OF CERTAIN PROPERTY ASSOCIATED WITH CONTROLLED SUBSTANCES.] (a) A

conveyance device is subject to forfeiture under this section only if the retail value of the controlled substance is \$500 or more.

(b) Real property is subject to forfeiture under this section only if the retail value of the controlled substance or contraband is \$5,000 or more.

(c) Property used by any person as a common carrier in the transaction of business as a common carrier is subject to forfeiture under this section only if the owner of the property is a consenting party to, or is privy to, the use or intended use of the property as described in subdivision 2.

(d) Property is subject to forfeiture under this section only if its owner was privy to the use or intended use described in subdivision 2, or the unlawful use or intended use of the property otherwise occurred with the owner's knowledge or consent.

(e) Forfeiture under this section of a conveyance device or real property encumbered by a bona fide security interest is subject to the interest of the secured party unless the secured party had knowledge of or consented to the act or omission upon which the forfeiture is based. A person claiming a security interest bears the burden of establishing that interest by clear and convincing evidence.

(f) Notwithstanding paragraphs (d) and (e), property is not subject to forfeiture based solely on the owner's or secured party's knowledge of the unlawful use or intended use of the property if the owner or secured party took reasonable steps to terminate use of the property by the offender.

#### Sec. 6. [609.5317] [REAL PROPERTY; SEIZURES.]

Subdivision 1. [RENTAL PROPERTY.] (a) When contraband or a controlled substance manufactured, distributed, or acquired in violation of chapter 152 is seized on residential rental property incident to a lawful search or arrest, whether or not the seizure results in criminal charges or conviction, the county attorney shall give the notice required by this subdivision to (1) the landlord of the property or the fee owner identified in the records of the county assessor, and (2) the agent authorized by the owner to accept service pursuant to section 504.22. The notice shall state what has been seized and specify the applicable duties and penalties under this subdivision. The notice shall state that the landlord who chooses to assign the right to bring an unlawful detainer action retains all rights and duties, including removal of a tenant's personal property following issuance of the writ of restitution and delivery of the writ to the sheriff for execution. The notice shall also state that the landlord may contact the county attorney if threatened by the tenant. Notice shall be sent by certified letter, return receipt requested, within 30 days of the seizure. If receipt is not returned,

notice shall be given in the manner provided by law for service of summons in a civil action.

(b) Within 15 days after notice of the first occurrence, the landlord shall bring, or assign to the county attorney of the county in which the real property is located, the right to bring an unlawful detainer action against the tenant. The assignment must be in writing on a form prepared by the county attorney. Should the landlord choose to assign the right to bring an unlawful detainer action, the assignment shall be limited to those rights and duties up to and including delivery of the writ of restitution to the sheriff for execution.

(c) Upon notice of a second occurrence involving the same tenant, the property is subject to forfeiture under sections 609.531, 609.5311, 609.5313, and 609.5315, unless an unlawful detainer action has been commenced as provided in paragraph (b) or the right to bring an unlawful detainer action was assigned to the county attorney as provided in paragraph (b). If the right has been assigned and not previously exercised, or if the county attorney requests an assignment and the landlord makes an assignment, the county attorney may bring an unlawful detainer action rather than an action for forfeiture.

Subd. 2. [ADDITIONAL REMEDIES.] Nothing in subdivision 1 prevents the county attorney from proceeding under section 609.5311 whenever that section applies.

Subd. 3. [DEFENSES.] It is a defense against a proceeding under subdivision 1, paragraph (b), that the tenant had no knowledge or reason to know of the presence of the contraband or controlled substance or could not prevent its being brought onto the property.

It is a defense against a proceeding under subdivision 1, paragraph (c), that the landlord made every reasonable attempt to evict a tenant or to assign the county attorney the right to bring an unlawful detainer action against the tenant, or that the landlord did not receive notice of the seizure.

Subd. 4. [LIMITATIONS.] This section shall not apply if the retail value of the contraband or controlled substance is less than the amount specified in section 609.5311, subdivision 3.

Sec. 7. [EFFECTIVE DATE; APPLICATION.]

Sections 1, 3, 4, 5, and 6 are effective on October 1, 1989, and apply to seizures of contraband or controlled substances occurring on or after that date.

On or before September 1, 1989, landlords shall give notice to tenants of residential rental property under an existing lease or

periodic rent agreement, that section 1 will become effective October 1, 1989.

All residential rental property leases or periodic rent agreements entered on or after September 1, 1989, must include the notice to the tenant required by section 2.

Delete the title and insert:

"A bill for an act relating to crimes; providing for termination, cancellation, and forfeiture of real estate interests related to contraband or controlled substance seizures; amending Minnesota Statutes 1988, sections 566.02; 609.531; 609.5311, subdivisions 2 and 3; proposing coding for new law in Minnesota Statutes, chapters 566 and 609."

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. 169, A bill for an act relating to game and fish; authorizing elderly residents to take fish by spearing without a license; amending Minnesota Statutes 1988, section 97A.451, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 10, after "a" insert "spearing"

Page 1, line 13, delete "traveling" and insert "transporting speared fish"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 207, A bill for an act relating to public safety; establishing the board of jail employee training and standards; regulating jail employees; providing penalties; appropriating money; amending Minnesota Statutes 1988, sections 214.01, subdivision 3; 214.04, subdivisions 1 and 3; and 364.09; proposing coding for new law in Minnesota Statutes, chapter 214; proposing coding for new law as Minnesota Statutes, chapter 644.

Reported the same back with the following amendments:

Page 7, line 7, after the period insert "A licensed peace officer who works in a jail and who satisfactorily completes a training course or program may be granted credit toward hourly training requirements for both peace officer and jail employee licensing if each licensing board approves the training course or program."

Page 7, line 10, delete "13" and insert "15"

Page 7, line 11, delete "seven" and insert "six"

Page 7, line 22, delete "one member" and insert "three members"

Page 7, line 24, delete "one member" and insert "two members"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 212, A bill for an act relating to the city of Hibbing; authorizing two additional on-sale liquor licenses.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 215, A bill for an act relating to game and fish; providing for restitution for wild animals that are illegally killed or injured; providing for civil penalties for wild animals killed or injured; restricting expenditures from restitution to replacement and propagation of wild animals illegally killed or injured; amending Minnesota Statutes 1988, section 97A.065, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 97A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 97A.065, is amended by adding a subdivision to read:

Subd. 5. [RESTITUTION FOR WILD ANIMALS.] Money collected from restitution under section 2 for wild animals killed, injured, or possessed in violation of the game and fish laws must be used by the commissioner for replacement, propagation, or protection of wild animals.

Sec. 2. [97A.341] [RESTITUTION FOR WILD ANIMALS ILLEGALLY TAKEN.]

Subdivision 1. [LIABILITY FOR RESTITUTION.] A person who kills, injures, or possesses a wild animal in violation of the game and fish laws is liable to the state for the value of the wild animal as provided in this section. Species afforded protection include members of the following groups as defined by statute or rule: game fish, game birds, big game, small game, fur-bearing animals, minnows, and threatened and endangered animal species. Other animal species may be added by order of the commissioner as determined after public meetings and with the approval of the chairs of the environment and natural resources committees in the senate and house of representatives.

Subd. 2. [ARREST AND CHARGING PROCEDURE.] (a) An enforcement officer who arrests a person for killing, injuring, or possessing a wild animal in violation of the game and fish laws must describe the number, species, and restitution value of wild animals illegally killed, injured, or possessed on the warrant or the notice to appear in court.

(b) As part of the charge against a person arrested for killing, injuring, or possessing a wild animal in violation of the game and fish laws, the prosecuting attorney must include a demand that restitution be made to the state for the value of the wild animal killed, injured, or possessed. The demand for restitution is in addition to the criminal penalties otherwise provided for the violation.

Subd. 3. [SENTENCING PROCEDURE.] If a person is convicted of or pleads guilty to killing, injuring, or possessing a wild animal in violation of the game and fish laws, the court must require the person to pay restitution to the state for replacement of the wild animal as part of the sentence or state in writing why restitution was not imposed. The court may consider the economic circumstances of the person and, in lieu of monetary restitution, order the person to perform conservation work representing the amount of restitution that will aid the propagation of wild animals. If the court does not order a person to pay restitution, the court administrator must send a copy of the court order to the commissioner.

Subd. 4. [AMOUNT OF RESTITUTION.] The amount of restitution shall be determined by the court by a preponderance of the

evidence. In determining the amount of restitution, the court must consider the value of the wild animal under section 3.

Subd. 5. [RESTITUTION CREDITED TO GAME AND FISH FUND.] The court administrator shall forward restitution collected under this section to the commissioner of finance and the commissioner shall credit all money forwarded to the game and fish fund in the state treasury.

Sec. 3. [97A.345] [RESTITUTION VALUE OF WILD ANIMALS.]

(a) The commissioner may, by rules adopted under chapter 14, prescribe the dollar value to the state of species of wild animals. The value may reflect the value to other persons to legally take the wild animal, the replacement cost, or the intrinsic value to the state of the wild animals. Species of wild animals with similar values may be grouped together.

(b) The value of a wild animal under the rules adopted by the commissioner is prima facie evidence of a wild animal's value under section 2.

(c) The commissioner shall report annually to the legislature the amount of restitution collected under section 2 and the manner in which the funds were expended.

Sec. 4. [EFFECTIVE DATE.]

Sections 1 to 3 are effective August 1, 1989, and apply to game and fish law violations committed on or after that date.

Amend the title as follows:

Page 1, delete line 4

Page 1, line 5, delete "or injured;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 236, A bill for an act relating to health; establishing a treatment program for compulsive gamblers; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 245.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

**"Section 1. [245.98] [COMPULSIVE GAMBLING TREATMENT PROGRAM.]**

Subdivision 1. [DEFINITION.] For the purposes of this section, "compulsive gambler" means a person who is chronically and progressively preoccupied with gambling and with the urge to gamble to the extent that the gambling behavior compromises, disrupts, or damages personal, family, or vocational pursuits.

Subd. 2. [PROGRAM.] The commissioner shall establish a program for the treatment of compulsive gamblers. The commissioner may contract with a nonprofit entity with expertise in the treatment of compulsive gambling to operate the program. The program may include the establishment of a statewide toll-free number, resource library, public education programs; regional in-service training programs and conferences for health care professionals, educators, treatment providers, employee assistance programs, and criminal justice representatives; and the establishment of certification standards for programs and service providers.

The commissioner may enter into agreements with other governmental or nonprofit entities and may employ or contract with consultants to facilitate the provision of these services or the training of individuals to qualify them to provide these services. The program may also include inpatient and outpatient treatment and rehabilitation services and research studies. The research studies must include baseline and prevalence studies for adolescents and adults to identify those at the highest risk. The program must be approved by the commissioner before it is established.

Subd. 3. [REPORT.] The commissioner must report annually to the legislature by January 15 of each year of the manner in which the program to treat and prevent compulsive gamblers is being implemented.

**Sec. 2. [APPROPRIATION.]**

§ . . . . . is appropriated to the commissioner of human services for the biennium beginning July 1, 1989, to operate the program required by section 1. Money not expended in one fiscal year may be used in the next fiscal year."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 287, A bill for an act relating to outdoor recreation; appropriating funds for development of a certain segment of the Willard Munger State Trail.

Reported the same back with the following amendments:

Page 1, line 10, delete "to the" and insert "into"

Page 1, line 11, delete "boundary"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Osthoff from the Committee on Financial Institutions and Housing to which was referred:

H. F. No. 296, A bill for an act relating to real property; changing effective dates for provisions relating to validation of foreclosure sales; amending Minnesota Statutes 1988, section 582.27.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 412, A bill for an act relating to education; changing the definitions of teachers and of supervisory and support personnel for the purpose of licensure; changing the kinds of personnel licensed by the board of teaching and the state board of education; changing the composition of the board of teaching; providing for teacher performance effectiveness plan; amending Minnesota Statutes 1988, sections 125.03, subdivisions 1 and 4; 125.05, subdivisions 1 and 2; 125.08; and 125.183, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 125.

Reported the same back with the following amendments:

Page 1, line 18, after "school" insert "or education district or by an ECSU"

Page 1, line 20, after "supervisors," insert "secondary"

Page 5, line 22, delete "1988" and insert "1990"

Amend the title as follows:

Page 1, line 8, delete "plan" and insert "plans"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 438, A bill for an act relating to courts; specifying the income standard for proceeding in forma pauperis; amending Minnesota Statutes 1988, section 563.01, subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 563.01, subdivision 3, is amended to read:

Subd. 3. Any court of the state of Minnesota or any political subdivision thereof may authorize the commencement or defense of any civil action, or appeal therein, without prepayment of fees, costs and security for costs by a natural person who makes affidavit stating (a) the nature of the action, defense or appeal, (b) a belief that affiant is entitled to redress, and (c) that affiant is financially unable to pay the fees, costs and security for costs. Upon a finding by the court that the action is not of a frivolous nature, the court shall allow the person to proceed in forma pauperis if the affidavit is substantially in the language required by this subdivision and is not found by the court to be untrue. Persons meeting the requirements of this subdivision include, but are not limited to, a person who is receiving public assistance, who is represented by an attorney on behalf of a civil legal services program or a volunteer attorney program based on indigency, or who has an annual income not greater than 125 percent of the poverty line established under United States Code, title 42, section 9909(2)."

With the recommendation that when so amended the bill pass.

The report was adopted.

Otis from the Committee on Economic Development to which was referred:

H. F. No. 500, A bill for an act relating to economic development; revising provisions governing regional development commissions; renaming regional development commissions; authorizing the establishment of area development alliances; appropriating money; amending Minnesota Statutes 1988, sections 462.381; 462.382; 462.383; 462.384, subdivisions 1, 2, 5, 6, 7, and by adding subdivisions; 462.385; 462.386; 462.387; 462.388; 462.389; 462.39; 462.393; 462.394; 462.395; 462.396; 462.397; and 462.398; proposing coding for new law in Minnesota Statutes, chapter 462; repealing Minnesota Statutes 1988, sections 462.384, subdivisions 3 and 4; 462.391; and 462.392.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

#### "ARTICLE 1

#### AREA DEVELOPMENT ALLIANCE ACT

Section 1. Minnesota Statutes 1988, section 462.381, is amended to read:

462.381 [TITLE.]

Sections 462.381 to 462.398 may be cited as the "regional area development alliance act of 1969."

Sec. 2. Minnesota Statutes 1988, section 462.382, is amended to read:

462.382 [APPLICATION.]

The provisions of Sections 462.381 to 462.398 have no application do not apply to the metropolitan council created by or the region defined by Laws 1967, chapter 896.

Sec. 3. Minnesota Statutes 1988, section 462.383, is amended to read:

462.383 [PURPOSE.]

Subdivision 1. The legislature finds that problems of growth and development in urban and rural regions of the state so transcend the boundary lines of local government units that no single unit can plan for their solution without affecting other units in the region; that various multicounty planning activities conducted under various laws of the United States are presently being conducted in an uncoordinated manner; that intergovernmental cooperation on a regional basis is an effective means of pooling the resources of local

government to approach common problems; and that the assistance of the state is needed to make the most effective use of local, state, federal, and private programs in serving the citizens of such urban and rural regions.

~~Subd. 2. It is the purpose~~ The purposes of sections 462.381 to 462.398 are:

(1) to facilitate intergovernmental cooperation and;

(2) to insure the orderly and harmonious coordination of state, federal, and local comprehensive planning and development programs for the solution of economic, social, physical, and governmental problems of the state and its citizens by providing for the creation of regional development commissions;

(3) to provide assistance to local communities and governmental units on an areawide basis; and

(4) to identify and address rural issues and problems.

Sec. 4. Minnesota Statutes 1988, section 462.384, subdivision 1, is amended to read:

Subdivision 1. [APPLICABILITY.] For the purposes of The definitions in this section apply to sections 462.381 to 462.398 the terms defined in this section have the meanings given them.

Sec. 5. Minnesota Statutes 1988, section 462.384, subdivision 2, is amended to read:

Subd. 2. [GOVERNMENTAL UNIT.] "Governmental unit" means a county, home rule charter or statutory city, town, school district, or other political subdivision of the state.

Sec. 6. Minnesota Statutes 1988, section 462.384, subdivision 7, is amended to read:

Subd. 7. [COMMISSIONER.] "Commissioner" means the commissioner of state planning agency exercising the authority conferred by under sections 116K.01 to 116K.13.

Sec. 7. Minnesota Statutes 1988, section 462.384, is amended by adding a subdivision to read:

Subd. 8. [ALLIANCE.] "Alliance" means an area development alliance established under section 462.387.

Sec. 8. Minnesota Statutes 1988, section 462.384, is amended by adding a subdivision to read:

Subd. 9. [ALLIANCE AREA.] "Alliance area" or "area" means a geographic area composed of at least three contiguous counties with a population of at least 50,000, established under section 462.387.

Sec. 9. Minnesota Statutes 1988, section 462.384, is amended by adding a subdivision to read:

Subd. 10. [CITY.] "City" means a home rule charter or statutory city.

Sec. 10. Minnesota Statutes 1988, section 462.386, is amended to read:

462.386. [MULTICOUNTY PLANNING AND DEVELOPMENT; CONFORMANCE WITH REGIONS AREAS.]

Subdivision 1. [MULTICOUNTY PLANNING AND DEVELOPMENT.] All coordination, planning, and development regions areas assisted or created by the state of Minnesota or pursuant to federal legislation shall must conform to the regions designated by the executive order areas established under section 462.387 except where, after review and approval by the commissioner, nonconformance is clearly justified. The commissioner shall develop working agreements with state and federal departments and agencies to insure conformance with this subdivision.

Subd. 3. [FEDERAL ECONOMIC DEVELOPMENT DISTRICTS.] The boundaries of an economic development district established under the United States Public Works and Economic Development Act of 1965, as amended through December 31, 1988, United States Code, title 42, section 3171, may be modified with the approval of an affected county and the development district.

Sec. 11. Minnesota Statutes 1988, section 462.387, is amended to read:

462.387. [REGIONAL AREA DEVELOPMENT COMMISSIONS ALLIANCE; ESTABLISHMENT.]

Subdivision 1. [PETITION.] (1) Any combination of counties or municipalities cities representing a majority of the population of the region area, or (2) any combination of contiguous counties, upon approval by a majority of the governing bodies of the cities of each county located within the area for which a commission an area development alliance is proposed: may petition the commissioner by formal resolution setting forth its desire to establish, and the need for, the establishment of a regional an area development commission alliance. For purposes of this section the petition requirement, the population of a county does not include the population of a municipality city within the county. The petition must include the

geographic boundaries of the proposed area. The area must include a population of at least 50,000 and at least three contiguous counties. The area may include towns that are contiguous to the counties that are located in the proposed area. The area may also include cities that are located in more than one county and are contiguous to the proposed area. All counties, contiguous towns, and contiguous cities that were part of an alliance that has been terminated and are not part of an existing alliance must be allowed to petition to form the proposed alliance.

Subd. 3. [ESTABLISHMENT.] Upon Within 35 days of the receipt of a petition as provided in subdivision 1 a regional development commission shall be established by the commissioner and the notification of, the commissioner shall notify all local government governmental units within the region area for which the commission alliance is proposed. The notification shall be made within 60 days of the commissioner's receipt of a petition under subdivision 1. and fix a time and place within the proposed area for a public hearing. Notice and time requirements specified in section 462.398, subdivision 2, apply to the public hearing. After determining that the boundaries of the proposed alliance area do not overlap with another area development alliance, and within 60 days of the date of the public hearing, the commissioner shall establish the area development alliance by commissioner's order.

Subd. 4. [SELECTION OF MEMBERSHIP.] The commissioner shall call together each of the membership classifications except citizen groups the public members, defined in section 462.388, within 60 days of the establishment of a regional an area development commission alliance for the purpose of selecting the commission alliance membership.

## Sec. 12. [462.3871] [ANNEXATION PROCEDURE.]

Subdivision 1. [COUNTIES IN EXISTING ALLIANCE.] One or more counties comprising a part of an existing area development alliance may petition the commissioner by county board resolution to withdraw the county or counties from the alliance for the purpose of annexing the county or counties to a contiguous proposed or established area development alliance. The commissioner may order the annexation only if the following conditions are met:

(1) the population of the area development alliance from which the county or counties request withdrawal from is at least 50,000 after the county or counties withdraw;

(2) at least three contiguous counties remain in the alliance after the withdrawal;

(3) none of the petitioning counties have established an alliance or

have been authorized to annex with the alliance that they are currently a part of in the past five years;

(4) the alliance with which the county or counties are requesting annexation must approve of the annexation; and

(5) the commissioner approves of the annexation, after making the determination that the population and economic patterns of the county or counties are consistent with the proposed annexation.

Subd. 2. [COUNTIES OR TOWNS NOT PART OF AN ALLIANCE.] Upon approval by a majority of the governing bodies of the cities of a county, a county that is not part of an existing area development alliance may petition the commissioner by county board resolution for the purpose of annexing the county to a contiguous area development alliance. The commissioner may order the annexation only if the following conditions are met:

(1) the alliance with which the county is requesting annexation must approve of the annexation; and

(2) the commissioner approves of the annexation, after making the determination that the population and economic patterns of the county are consistent with the proposed annexation.

A town that is not part of an existing area development alliance may petition the commissioner by town board resolution for the purpose of annexing the town to a contiguous area development alliance. The commissioner may order the annexation if the town meets the conditions specified in clauses (1) and (2).

Subd. 3. [ANNEXATION BY COMMISSIONER'S INITIATIVE.] Within two years after a federal decennial census, the state demographer must review the boundaries of the areas and submit a report to the commissioner regarding the present boundaries and their relationships to the population and economic patterns of each area. If the report recommends boundary modification recommendations, the commissioner may order an annexation under subdivision 1 without meeting the petition requirements after determining that the other conditions specified in subdivision 1 have been met.

Subd. 4. [CITIES ANNEXATION.] A city that is located in more than one county may petition the commissioner by city council resolution for the purpose of annexing the entire city to a contiguous area development alliance. The commissioner may order the annexation if the city meets the conditions specified in subdivision 2, clauses (1) and (2).

Subd. 5. [PUBLIC HEARING REQUIREMENTS.] The commissioner must hold a public hearing in the proposed annexation area

before ordering an annexation under this section. Notice and time requirements specified in section 462.398, subdivision 2, apply to the public hearing.

Sec. 13. Minnesota Statutes 1988, section 462.388, is amended to read:

462.388 [COMMISSION ALLIANCE MEMBERSHIP.]

Subdivision 1. [COMPOSITION.] A commission shall consist. An alliance consists of the following members:

(1) one member from each county board of every county in the development region area, selected by each respective county board;

(2) one additional county board member from each county of over 100,000 with a population greater than 100,000, selected by each respective county board of these counties;

(3) the town clerk, town treasurer, or one member of a town board of supervisors from each county containing organized towns, selected by the town officers association in each respective county, or the town boards of supervisors in each county if a town officers association does not exist in the county;

(4) one additional member selected by the county board of any county containing no townships;

(5) one mayor or council member from a municipality of under 10,000 city with a population less than 10,000, from each county, selected by the mayors of all such municipalities the cities in the county;

(6) one mayor or council member from each municipality of over city with a population greater than 10,000 in from each county, selected by the mayor of each of these respective cities;

(7) two school board members elected by a majority of the chairs of school boards in the development region area;

(8) one member from each council of governments, selected by each council; and

(9) citizens representing public interests within the region including members of minority groups to be selected after adoption of the bylaws of the commission; and

(10) the chair, who shall be selected by the commission. at least ten percent of the alliance membership must consist of public members who are not members of the governing body of a county,

city, or town, and who are selected by the other alliance members after adoption of the bylaws. A public member who is a member of the governing body of a county, city, or town, and who is recommended by a group representing a specific issue or set of issues or a specific population, may be included in the ten percent minimum limit.

The public membership of the alliance may consist of members of minority groups, post-secondary educational institutions, senior citizen groups, human service organizations, natural resource organizations, nonprofit economic development entities, local chambers of commerce, and the general public interested in community and economic development.

Subd. 2. [TERMS; SELECTION.] The terms of office and method of selection of members other than, including the chair shall and other officers, must be provided for in the bylaws of the commission which shall not be inconsistent alliance. The alliance must select a chair from its own membership. An alliance member may not serve more than ten consecutive years. The bylaws must be consistent with the provisions of subdivision 1. The commission alliance shall adopt rules setting forth bylaws providing for its procedures.

Subd. 5. [PER DIEM; EXPENSES.] Members of the regional commission alliance may receive a per diem of not over \$35, the amount to be determined by the commission in the amount specified under section 15.0575, subdivision 3, and shall must be reimbursed for their reasonable expenses as determined by the commission alliance. The commission shall alliance may provide for the election of a board of directors, who need not be commission alliance members, and provide, at its discretion, for a per diem of not over \$35 a day in the amount specified under section 15.0575, subdivision 3, for meetings of the board and expenses. A member of the board of directors who is a member of the commission shall may receive only the per diem payable to board members when meetings of the board of directors and the commission alliance are held on the same day.

Sec. 14. Minnesota Statutes 1988, section 462.389, is amended to read:

**462.389 [DEVELOPMENT COMMISSION ALLIANCE CHAIR; OFFICERS AND STAFF.]**

Subdivision 1. [CHAIR.] The chair of the commission alliance shall have been a resident of the region area for at least one year and shall be a person experienced in the field of government affairs. The chair shall preside at the meetings of the commission alliance and board of directors, appoint all employees thereof, subject to the approval of the commission as provided in the personnel system adopted under subdivision 4, and be responsible for carrying out all policy decisions of the commission alliance. The chair's expense

allowances shall must be fixed by the commission alliance. The term of the first chair shall be is one year, and the chair shall serve until a successor is selected and qualifies. At the expiration of the term of the first chair, the chair shall must be elected from the membership of the commission alliance according to procedures established in its bylaws.

Subd. 2. [OFFICERS.] Except as provided in subdivision 1, the commission shall alliance may elect such officers as it deems considers necessary for the conduct of its affairs. Times and places of regular and special meetings shall must be fixed by the commission alliance and may be provided in the commission alliance bylaws. In the performance of its duties the commission alliance may adopt bylaws, rules governing its operation; establish committees, divisions, departments, and bureaus; and; staff the same committees, divisions, departments, and bureaus as necessary to carry out its duties; and when specifically authorized by law, make appointments to other governmental agencies and districts. All officers and employees shall serve at the pleasure of the commission alliance and in accordance with this section.

Subd. 3. [EXECUTIVE DIRECTOR.] Upon the recommendation of the chair, the commission alliance may appoint an executive director to serve as the chief administrative officer. The director may be chosen from among the citizens of the nation at large, and shall be selected on the basis of training and experience in the field of government affairs.

Subd. 4. [EMPLOYEES.] The commission alliance may prepare, in consultation with the state commissioner of employee relations, and may adopt a merit personnel system for its officers and employees, including hiring procedures and policies, terms and conditions for the of employment, the fixing of compensation, their classification, benefits, and the filing of performance and fidelity bonds, and such policies of insurance policies as it may deem considers advisable, the with premiums for which, however, shall to be paid for by the commission alliance. Officers and employees are public employees within the meaning of chapter 353. The commission alliance shall make the employer's contributions to pension funds of its employees.

Subd. 5. [STAFF SERVICES.] To avoid duplication of staffs for various regional bodies assisted by federal government, the commission alliance may provide basic administrative, research, and planning services for all regional planning and development bodies hereafter established in Minnesota. The commission alliance may contract to obtain or perform services with state agencies, nonprofit regional groups, subdistricts organized as the result of federal programs, councils of governments organized under section 471.59, or any other law, and with local governments governmental units.

Subd. 6. [CONSULTANTS.] The commission alliance may contract

for the services of consultants who perform engineering, legal, or other services of a professional nature for peak workloads, continuing advice on program direction, and for specialized and technical services. ~~Such~~ The contracts ~~shall~~ are not be subject to the requirements of any law relating to public bidding.

Sec. 15. Minnesota Statutes 1988, section 462.39, is amended to read:

462.39 [POWERS AND DUTIES.]

Subdivision 1. [GENERAL POWERS.] ~~The commission alliance~~ shall have and exercise all powers which may be necessary or convenient to enable it to perform and carry out the duties and responsibilities of sections 462.381 to 462.398 or which may hereafter be imposed upon it by law. ~~Such~~ The powers include the specific powers enumerated in this section. ~~The commission alliance is an instrumentality a political subdivision~~ of the state for purposes of section 297A.25, subdivision 11.

Subd. 2. [STATE AND FEDERAL PROGRAMS.] ~~The commission alliance~~ is the authorized agency to receive state and federal grants for regional purposes from the following programs:

(1) Section 403 of the Public Works and Economic Development Act of 1965, as amended through December 31, 1988, United States Code, title 42, section 3171 (economic development districts); and

(2) Section 701 of the Housing Act of 1954, as amended (multi-county comprehensive planning);

(3) Omnibus Crime Control Act of 1968;

and for the following to the extent feasible as determined by the governor:

(a) Economic Opportunity Act of 1964;

(b) Comprehensive Health Planning Act of 1965;

(c) Federal regional manpower planning programs;

(d) Resource, conservation, and development districts; or

(e) any other state and federal programs providing funds for local, multicounty, or regional, planning, coordination, service delivery, and development purposes. The director shall, where consistent with state and federal statutes and regulations, review applications for all state and federal regional planning and development grants to a commission, to the extent determined feasible by the governor.

Subd. 3. [PLANNING.] The commission shall alliance may prepare and adopt, after appropriate study and such public hearings as may be necessary, a comprehensive development plan plans for the region area or portions of the area. The plan shall plans may consist of a compilation of policy statements, goals, standards, programs, and maps prescribing guides for an orderly and economic development, public and private, of the region area. The comprehensive development plan shall recognize and encompass physical, social, or economic needs of the region, and those future developments which will have an impact on the entire region including but not limited to such matters as land use, parks and open space land needs, access to direct sunlight for solar energy systems, the necessity for and location of airports, highways, transit facilities, public hospitals, libraries, schools, public and private, housing, and other public buildings. In preparing the development plan the commission shall use to the maximum extent feasible the resources studies and data available from other planning agencies within the region, including counties, municipalities, special districts, and subregional planning agencies, and it shall utilize the resources of the director to the same purpose. The plans may also include an outline of trends, issues, and problems occurring in rural areas of the state. No A development plan or portion thereof or a plan for the region shall area may not be adopted by the commission alliance until it has been submitted to the director commissioner for review and comment and a period of 60 days has elapsed after such the submission. When a development plan has been adopted, the commission alliance shall distribute it to all local government governmental units within the region area.

Subd. 4. [COMPREHENSIVE PLANNING.] The creation establishment of a regional development commission an area development alliance does not affect the right of counties or municipalities cities to conduct subregional or district planning under sections 462.371 to 462.375 or 471.59. It is the purpose of sections 462.381 to 462.398 to encourage local and subdistrict planning capability and the regional commission alliance shall as far as practical use the data, resources, and input of the local planning agencies.

Subd. 5. [PLANNING REVIEW.] The alliance may review all long-term comprehensive plans of each governmental unit, independent commission, board, or agency, but only if the plan is determined by the alliance to have an areawide effect, a multicommunity effect, or to have a substantial effect on development of the area. Each plan determined to have areawide significance by the alliance must be submitted to the alliance for review and comment before any action is taken to place the plan or any part of the plan into effect. No action shall be taken to place any plan or any part of a plan into effect until 60 days have elapsed after the date of its submission to the alliance or until the alliance reviews and comments on the plan. The alliance shall develop, in consultation with the commissioner, formal procedures for the review of plans required to be submitted to it under this subdivision. The procedures

must be included in a formal resolution adopted after public hearing. After adoption, the resolution must be transmitted to each governmental unit and independent agency, board, or commission within the area.

Subd. 6. [RESEARCH.] The alliance may research and study issues and concerns relating to water, land use, economic development, minority problems, governmental problems, human and natural resources, waste reduction and management, communication, transportation, and other subjects of concern to the general public of the area. The alliance may institute demonstration projects in connection with a study.

Subd. 7. [PROGRAM COORDINATION.] The alliance may coordinate civil defense, community shelter planning, flood plain management programs, and other programs of areawide significance within the area and contract with local governmental agencies and consultants for the purpose of program coordination.

Subd. 8. [LOCAL GOVERNMENT BOUNDARIES.] The alliance may participate as a party in any proceedings originating before the Minnesota municipal board under chapter 414, if the proceedings involve the change in a boundary of a governmental unit in the area.

Subd. 9. [DATA AND INFORMATION.] The alliance, in consultation with appropriate departments and agencies of the state, may develop, in cooperation with the public and private colleges and universities and governmental units, a center for data collection and storage to be used by it and other governmental and private users. The alliance may enter into agreements with any state or federal agency to provide information to the governmental units, and others, regarding federal and state programs and data sources.

Subd. 10. [SERVICES AND TECHNICAL ASSISTANCE.] The alliance may contract with governmental units and private organizations to provide them with services and technical assistance in the conduct of local planning and development activities. The alliance may also provide technical assistance to governmental units on a noncontractual basis.

Subd. 11. [REVOLVING LOAN FUND.] In order to promote and encourage local economic development, the alliance may establish a revolving loan fund to provide loans to businesses. If the alliance establishes a revolving loan fund, the alliance shall establish uniform application forms and procedures, minimum interest rates, security requirements, restrictions on the amount of the alliance's participation in a project, and other financial terms and conditions that the alliance determines are necessary in providing financial assistance. The alliance may sell, at private or public sale, loans

made under this subdivision to a business, for profit or nonprofit organization, or an individual.

Sec. 16. Minnesota Statutes 1988, section 462.393, is amended to read:

462.393 [REPORTS.]

Subdivision 1. [ANNUAL REPORT.] On or before August 1 of each year, the ~~commission~~ alliance shall prepare a report for the governmental units, the public within the region area, the legislature and the governor. The report shall must include:

(1) A statement of the ~~commission's~~ alliance's receipts and expenditures by category since the preceding report;

(2) A detailed budget for the year in which the report is filed and a tentative budget for the following year including an outline of its program for ~~such~~ the period;

(3) A description of ~~any comprehensive plan~~ development plans adopted in whole or in part for the region area;

(4) Summaries and recommendations of any studies and the ~~recommendations resulting therefrom made~~ conducted for the region area;

(5) A listing of all applications for federal grants or loans made by ~~governmental units within the region together with the action taken by the commission in relation thereto;~~

(6) A listing of plans of local governmental units submitted to the region, and actions taken in relationship thereto;

(7) Recommendations of the ~~commission~~ alliance regarding federal and state programs, cooperation, funding, and legislative needs; and

(8) (6) A summary of any report made during the previous year by the state auditor relative to the ~~commission~~ alliance.

Subd. 2. [PERFORMANCE REPORT.] In ~~1981~~ 1991 and every five years thereafter the ~~commission~~ alliance shall review its activities and issue a report assessing its to the commissioner, the governmental units within the area, and the general public within the area. The report must include:

(1) an assessment of the alliance's performance in fulfilling the purposes of the regional area development alliance act of 1969. The report shall state whether the existence of the commission is in the

public welfare and interest. The report shall be included in the report required by subdivision 1;

(2) an assessment of the state of the alliance area, outlining trends and problems occurring within the alliance area; and

(3) recommendations addressing the trends and problems outlined.

Sec. 17. Minnesota Statutes 1988, section 462.394, is amended to read:

462.394 [CITIZEN PARTICIPATION AND ADVISORY COMMITTEES.]

The ~~commission~~ alliance may appoint advisory committees of interested and affected citizens members of the general public to assist in the review of plans, programs, and other matters referred for review by the ~~commission~~ alliance. Whenever a special advisory committee is required by ~~any~~ a federal or state regional program, the ~~commission~~ alliance chair shall, as far as practical, appoint ~~such~~ advisory committees as advisory groups to the ~~commission~~ alliance. Members of the advisory committees shall serve without compensation but shall be reimbursed for their reasonable expenses as determined by the ~~commission~~ alliance.

Sec. 18. Minnesota Statutes 1988, section 462.395, is amended to read:

462.395 [DUTIES OF STATE AGENCIES.]

All state departments and agencies shall cooperate with regional area development commissions alliances established under sections 462.381 to 462.398 and shall make available to them studies, reports, data, and other informational and technical assistance within financial and personnel limitations. The ~~director~~ commissioner shall coordinate the state's assistance programs to regional planning and area development commissions alliances.

Sec. 19. Minnesota Statutes 1988, section 462.396, is amended to read:

462.396 [FINANCIAL; STATE ASSISTANCE.]

Subdivision 1. [GRANTS.] The ~~director~~ commissioner shall determine the amount of and make grants to any ~~commission~~ alliance created under sections 462.381 to 462.398 from appropriations made available for those purposes, provided a work program is submitted acceptable to the ~~director~~ commissioner. Any regional ~~commission~~

An alliance may levy a tax on all taxable property in the region area to provide money for the purposes of sections 462.381 to 462.398.

Subd. 2. [BUDGET; TAX LEVY.] On or before August 20, 1971, and June 30 of each year thereafter, the commission alliance shall submit its proposed budget for the ensuing calendar next alliance fiscal year showing anticipated receipts, disbursements and ad valorem tax levy with a written notice of the time and place of the public hearing on the proposed budget to each county auditor and municipal city clerk within the region area and those town clerks who in advance have requested a copy of the budget and notice of public hearing. On or before October 1, 1971, and of each year thereafter, the commission alliance shall adopt, after a public hearing held ~~not~~ no later than September 20, a budget covering its anticipated receipts and disbursements for the ensuing next year and shall decide upon the total amount necessary to be raised from ad valorem tax levies to meet its budget. After adoption of the budget and no later than October 1, the secretary of the commission alliance shall certify to the auditor of each county within the region area the county share of such the tax, which shall be in an amount bearing the same proportion to the total levy agreed on by the commission alliance as the gross tax capacity of the county bears to the gross tax capacity of the region area. The maximum amount of any levy made for the purposes of sections 462.381 to 462.398 shall not exceed one-sixth of one mill on each dollar of gross tax capacity of all taxable property in the region area. The auditor of each county in the region area shall add the amount of any levy made by the commission alliance within the limits imposed by this subdivision to other tax levies of the county for collection by the county treasurer with other taxes. When collected, the county treasurer shall make settlement of such the taxes with the commission alliance in the same manner as other taxes are distributed to political subdivisions. The levy authorized by this section shall be is in addition to any other county taxes authorized by law.

Subd. 3. [GIFTS; GRANTS; LOANS.] The commission alliance may accept gifts, apply for and use grants or loans of money or other property from the United States, the state, private organizations, or any person, local or governmental body for any commission alliance purpose and may enter into agreements required in connection therewith and may hold, use, and dispose of such moneys money or property in accordance with the terms of the gift, grant, loan, agreement, or contract relating thereto.

Subd. 4. [ACCOUNTS; AUDITS.] The commission alliance shall keep an accurate account of its receipts and disbursement. Disbursements of funds of the commission shall alliance must be made by check signed by the chair or, vice-chair, or secretary of the commission alliance and countersigned by the executive director or an authorized deputy thereof after such the auditing and approval of the expenditure as may be provided by rules of the commission

alliance. The state auditor shall audit the books and accounts of the ~~commission~~ alliance once each year, or as often as funds and personnel of the state auditor permit. The ~~commission~~ alliance shall pay to the state the total cost and expenses of ~~such~~ the examination, including the salaries paid to the auditors while actually engaged in making ~~such~~ the examination. The revolving fund of the state auditor shall must be credited with all collections made for any ~~such~~ examination.

Subd. 5. [UNIFORM MUNICIPAL CONTRACT LAW.] Section 471.345 applies to every contract of the ~~commission~~ alliance for the purchase of merchandise, materials, or supplies ~~shall~~ be let in accordance with the provisions of section 471.345.

Subd. 6. [OFFICIAL DEPOSITORY.] The ~~commission~~ alliance shall from time to time designate one or more national or state banks, or trust companies authorized to do a banking business, as official depositories for money of the ~~commission~~ alliance, and ~~thereupon~~ shall require the treasurer to deposit all or part of ~~such~~ the money in ~~such~~ the bank or banks. ~~Such~~ The designation shall must be in writing and set forth, must include all the terms and conditions upon which the deposits are made, and ~~shall~~ must be signed by the chair and secretary, and must be made a part of the minutes of the ~~commission~~ alliance. ~~Any~~ A designated bank or trust company ~~so designated~~ shall qualify as a depository by furnishing a corporate surety bond or collateral as required by chapter 118, and ~~shall thereafter~~ must, as long as money of the ~~commission~~ alliance is on deposit ~~therein~~, maintain ~~such~~ the bond or collateral and ~~shall be required to~~ secure any deposit, insofar as it is insured under federal law, as provided in section 118.10.

Subd. 7. [RESERVE FUND.] The alliance may establish an undedicated reserve fund. The amount of an undedicated reserve fund may not exceed two times the amount of taxes levied during the past fiscal year.

Subd. 8. [STATE EQUALIZATION REVENUE.] In order to receive state equalization revenue, an alliance must levy a tax of at least one-sixth of one mill times the gross tax capacity of taxable property in the area. If an alliance levies one-sixth of one mill times the gross tax capacity of taxable property in the area, the amount of state equalization revenue is equal to the sum of \$100,000 minus the amount of the tax levied by the alliance and .50 times the area population of up to 100,000 and .30 times the amount of the area population over 100,000 or \$40,000, whichever is greater. The population must be determined by using the most recent population estimate of the state demographer, as provided under section 116K.04, subdivision 4. Equalization revenue may be used for any purpose authorized under sections 1 to 21.

Sec. 20. Minnesota Statutes 1988, section 462.397, is amended to read:

462.397 [BORROWING MONEY; CERTIFICATES OF INDEBTEDNESS.]

Subdivision 1. [AUTHORIZATION.] At any time after a tax has been levied by the ~~commission~~ alliance and certified to the county auditors to be spread on the next tax roll for collection, the ~~commission~~ alliance may borrow money and in evidence thereof issue and sell its certificates of indebtedness in anticipation of the collection of ~~such~~ the levy.

Subd. 2. [AMOUNT.] The aggregate principal amount of ~~such~~ the certificates then remaining outstanding, issued in anticipation of any levies whatsoever, plus the then unpaid accrued interest and interest to accrue to maturity on all ~~such~~ the certificates, ~~shall~~ may not exceed 50 percent of all taxes certified to the county auditors to be spread and collected which are not delinquent, less the amount thereof received by the ~~commission~~ alliance before the latest certificates were issued.

Subd. 3. [MATURITY.] All certificates ~~shall~~ must mature not later than April 1 following the close of the year of collection of the taxes in anticipation of which they were issued, and may be made subject to redemption before maturity.

Subd. 4. [TERMS.] The ~~commission~~ alliance shall, by the resolution authorizing each issue of certificates, ~~fix~~ the amount, date, maturity or maturities, prepayment provisions, form, denominations, interest rate or rates, and other details of the certificates, and also pledge the full faith and credit of the ~~commission~~ alliance for the payment ~~thereof~~ of the certificates. In and by ~~such~~ the resolution, the ~~commission~~ alliance shall also irrevocably appropriate to a special fund ~~such~~ the amount, stated in dollars, of the levy anticipated as will be required to pay the principal of and interest on the certificates when due.

Subd. 5. [ADDITIONAL LEVY.] If, due to delinquencies in collection ~~thereof~~, the levy is not received at the times and in the amounts sufficient to meet principal of and interest on certificates ~~payable therefrom~~, the ~~commission~~ alliance may levy and cause to be extended, assessed and collected upon all taxable property within the ~~region~~ area, ~~such~~ the ad valorem taxes as may be required to pay ~~such~~ the principal and interest and to restore to other funds advances made for that purpose.

Subd. 6. [SALE.] All ~~such~~ The certificates may be negotiated and sold in ~~such~~ the manner as ~~may~~ be determined by the ~~commission~~ alliance.

Sec. 21. Minnesota Statutes 1988, section 462.398, is amended to read:

462.398 [TERMINATION OF COMMISSION ALLIANCE.]

Subdivision 1. [PETITION.] (1) Any combination of counties or ~~municipalities~~ cities representing a majority of the population of the ~~region~~ alliance area, or (2) a majority of counties within the alliance, upon approval by a majority of the governing bodies of the cities of each county located within the area for which a commission an alliance exists; may petition the director commissioner by formal resolution stating that the existence of the commission existing alliance is no longer in the public welfare and interest and is not needed to does not accomplish the purposes of the regional area development alliance act of 1969. For purposes of this section the petition requirement, the population of a county does not include the population of a municipality city within the county. Any formal resolution adopted by the governing body of a county or municipal-ity, city, or town for the termination of a commission shall be an alliance is effective for a period of one year for the purpose of determining the requisite population of the region area or number of counties, cities, and towns needed to petition the director commis-sioner.

Subd. 2. [HEARING; NOTICE.] Within 35 days of the receipt of the petition, the ~~director~~ commissioner shall fix a time and place within the ~~region~~ area for a hearing. The ~~director~~ commissioner shall give notice of the hearing by publication once each week for two successive weeks before the date of the hearing in a legal newspaper in each of the counties which the ~~commission~~ alliance represents. The hearing ~~shall~~ must be conducted by members of the ~~commission~~ alliance. If the ~~commission~~ alliance determines that the existence of the ~~commission~~ existing alliance is no longer in the public welfare and interest and that it is ~~not needed to~~ does not accomplish the purposes of the regional area development alliance act of 1969, the commission alliance shall recommend to the director commissioner that the director commissioner terminate the commis-sion alliance. Within 60 days after receipt of the recommendation, the director commissioner shall terminate the commission alliance by giving notice of the termination to all government governmental units within the region area for which the commission alliance was established. Unless otherwise provided by this subdivision, the hearing shall must be in accordance with sections 14.01 to 14.69.

Subd. 3. [LIMITATION.] The ~~director~~ commissioner shall not accept a petition for termination more than once in 30 months for each regional development ~~commission~~ alliance.

Sec. 22. [REGIONAL DEVELOPMENT COMMISSION REFER-  
ENCE.]

A regional development commission existing on January 1, 1989, may continue to be referred to as a regional development commission notwithstanding section 24. If the boundaries of a regional development commission are modified, the commission must be referred to as an area development alliance.

Sec. 23. [SUCCESSOR STATUS.]

Each area development alliance is the legal successor in all respects of each respective regional development commission established under Laws 1969, chapter 1122, and all resolutions, contracts, and liabilities of each regional development commission are the resolutions, contracts, and liabilities of each respective area development alliance as renamed and reconstituted under Minnesota Statutes, sections 462.381 to 462.398. Each region for which a regional development commission exists on January 1, 1989, is an area as defined in section 8.

Sec. 24. [INSTRUCTION TO REVISOR.]

The revisor of statutes is directed to change the phrase "regional development commission" wherever it appears in Minnesota Statutes to "area development alliance" in the next and subsequent editions of the statutes.

Sec. 25. [INSTRUCTION TO REVISOR.]

The revisor of statutes is directed to change the phrase "development region" wherever it appears in Minnesota Statutes to "alliance area" in the next and subsequent editions of the statutes.

Sec. 26. [INSTRUCTION TO REVISOR.]

The revisor of statutes is directed to change the phrase "regional development act" wherever it appears in Minnesota Statutes to "area development alliance act" in the next and subsequent editions of the statutes.

Sec. 27. [APPROPRIATION; EQUALIZATION REVENUE.]

\$ . . . . . is appropriated from the general fund to the commissioner of state planning for equalization revenue as provided under section 19.

Sec. 28. [APPROPRIATION; LEGISLATIVE AUDITOR.]

\$ . . . . . is appropriated from the general fund to the legislative auditor to conduct a separate program evaluation of each regional development commission existing on January 1, 1989.

## Sec. 29. [REPEALER.]

Minnesota Statutes 1988, sections 462.371; 462.372; 462.373; 462.374; 462.375; 462.384, subdivisions 3, 4, 5, and 6; 462.385; 462.391; and 462.392, are repealed.

## Sec. 30. [EFFECTIVE DATE.]

Sections 1 to 29 are effective July 1, 1989. For purposes of determining the limit on consecutive years of office for alliance members under Minnesota Statutes, section 462.388, subdivision 2, each current member's term of office will be calculated as beginning on July 1, 1989.

## ARTICLE 2 CONFORMING AMENDMENTS

Section 1. Minnesota Statutes 1988, section 110B.08, subdivision 2, is amended to read:

Subd. 2. [COMMENTS TO COUNTY BOARD.] (a) A local unit of government must review the comprehensive water plan and existing water and related land resources plans or official controls and in its comments describe in a general way possible amendments to its existing plans or official controls, and an estimate of the fiscal or policy effects that would be associated with those amendments, to bring them into conformance with the comprehensive water plan.

(b) A county or watershed management organization within the same watershed unit or groundwater system must review comprehensive water plans received and describe in its comments possible conflicts with its existing or proposed comprehensive water plan and suggest measures to resolve the conflicts.

(c) The ~~regional~~ area development ~~commission~~ alliance shall review the plan under section 462.391, subdivision 1.

Sec. 2. Minnesota Statutes 1988, section 115A.03, subdivision 8, is amended to read:

Subd. 8. "Development region Alliance area" means a region designated pursuant to sections ~~462.381 to 462.397~~ an area established under section 462.387.

Sec. 3. Minnesota Statutes 1988, section 115A.03, subdivision 26, is amended to read:

Subd. 26. "Regional Area development commission alliance" means a ~~commission~~ an alliance established pursuant to sections ~~462.381 to 462.397~~ under section 462.387.

Sec. 4. Minnesota Statutes 1988, section 115A.09, subdivision 3, is amended to read:

Subd. 3. [PROCEDURES.] The board shall propose the inventory of areas by August 1, 1981 by publication in the state register and newspapers of general circulation in the state and by mail to each regional area development ~~commission~~ alliance or metropolitan council, and local government unit containing a proposed area. The publications and mailing shall include notice of hearings on the board's proposal. The hearings shall be conducted by the state office of administrative hearings in a manner determined by the administrative law judge to be consistent with the completion of the proceedings and the administrative law judge's report in the time allowed by this section. At the hearing, any local government unit in which an area is proposed for inclusion in the inventory may propose an alternative area or areas within its jurisdiction. The hearing shall afford all interested persons an opportunity to testify and present evidence on the subject of the hearing. The subject of the hearing shall be limited to information submitted by the board and additional information on the proposed area or alternative areas which is relevant to the board's decision on the areas to be included in the inventory. The rulemaking and contested case procedures of chapter 14 shall not apply to this hearing. The administrative law judge may consolidate hearings. The report of the administrative law judge shall contain findings of fact, conclusions, and recommendations on the subject of the hearing. When any area in the inventory becomes unavailable as a hazardous waste facility site, the inventory shall be amended, in the manner of its original adoption, provided, however, that during the period when the inventory is being amended any other area in the inventory may be reviewed and approved under sections 115A.32 to 115A.39. No action of the board shall be held invalid by reason of the board's failure to notify any of the entities listed in this subdivision.

Sec. 5. Minnesota Statutes 1988, section 115A.21, subdivision 2, is amended to read:

Subd. 2. [SEARCH PROCEDURE.] The board shall consult with the agency and the private waste management industry in selecting candidate sites. Any sites proposed in applications for permits for stabilization and containment facilities being reviewed by the agency may be included by the board as candidate sites, provided the agency certifies the intrinsic suitability of the sites. The agency shall suspend its review of any permit application being reviewed by the board for inclusion as a candidate site until the site is eliminated from consideration as a candidate site.

As soon as practicable, the board through its chair shall publish a request soliciting proposals and permit applications for hazardous waste stabilization and containment facilities from potential developers and operators of such facilities. Notice of the request shall be

published in the State Register and newspapers of general circulation in the state and shall be transmitted to all regional area development commissions alliances, the metropolitan council, and all counties in the state. The board may select conceptual design and operating specifications for a variety of hazardous waste stabilization and containment facilities in sufficient detail and extent in the judgment of the board to assist the evaluation of sites and the selection of candidate sites. By November 1, 1980, the board through its chair shall notify each regional area development commission alliance, or the metropolitan council, and each local government unit within whose jurisdiction the board intends to search for candidate sites. The notification shall explain the selection of the jurisdiction as a search area; shall summarize any conceptual specifications and the evaluation factors, criteria, standards, and procedures the board intends to use in selecting candidate sites; and shall describe the relationship of the candidate site selection process to the other review procedures under sections 115A.18 to 115A.30 and the hazardous waste reports and plans required under sections 115A.04 to 115A.15. The notification shall request recommendations and suggestions from each such commission alliance, the metropolitan council, and local government unit on the criteria, standards, and procedures the board should use in selecting candidate sites within the time allowed. The board through its chair shall make a written response to any recommendations, explaining its disposition of the recommendations. No action of the board may be held invalid by reason of the board's failure to notify any of the entities listed in this subdivision.

Sec. 6. Minnesota Statutes 1988, section 115A.45, is amended to read:

115A.45 [TECHNICAL ASSISTANCE.]

The board and metropolitan council shall provide for technical assistance to encourage and improve solid waste management and to assist political subdivisions in preparing the plans described in section 115A.46. The board and metropolitan council shall provide model plans for regional and local solid waste management. The board and metropolitan council may contract for the delivery of technical assistance by a regional an area development commission alliance, any state or federal agency, private consultants, or other persons. The board shall prepare and publish an inventory of sources of technical assistance for solid waste planning, including studies, publications, agencies, and persons available.

Sec. 7. Minnesota Statutes 1988, section 115A.52, is amended to read:

115A.52 [TECHNICAL ASSISTANCE FOR PROJECTS.]

The board shall ensure the delivery of technical assistance for

projects eligible under the program. The board may contract for the delivery of technical assistance by any state or federal agency, a regional ~~an~~ area development ~~commission~~ alliance, the metropolitan council, or private consultants and may use program funds to reimburse the agency, ~~commission~~ alliance, council, or consultants. The board shall prepare and publish an inventory of sources of technical assistance, including studies, publications, agencies, and persons available. The board shall ensure statewide benefit from projects assisted under the program by developing exchange and training programs for local officials and employees and by using the experience gained in projects to provide technical assistance and education for other solid waste management projects in the state.

Sec. 8. Minnesota Statutes 1988, section 115A.64, subdivision 3, is amended to read:

Subd. 3. [LOCAL REVIEW AND COMMENT.] At least 60 days before submitting the petition to the board, the petitioners shall publish notice of the petition in newspapers of general circulation in the proposed district and shall cause a copy of the petition to be served upon the agency, the governing body of each political subdivision which is wholly or partly within the proposed district or is affected by the proposed alteration and each regional area development ~~commission~~ alliance affected by the proposed district or alteration. Each entity receiving service shall have 60 days within which to comment to the petitioners on the petition and the proposed district or alteration. Proof of service, along with any comments received, shall be attached to the petition when it is submitted to the board.

Sec. 9. Minnesota Statutes 1988, section 116E.02, subdivision 1, is amended to read:

Subdivision 1. [MEMBERSHIP; TERMS.] A state environmental education board, designated as the environmental education board, is hereby created. Regional environmental education councils, subordinate to the environmental education board and designated as regional environmental education councils are hereby created to represent the regions of the state designated by the in governor pursuant to Minnesota Statutes 1971, section 462.385 executive orders 8, dated September 1, 1971, and 59, dated May 29, 1973. The state board shall consist of three members appointed by the commissioner of natural resources and three members appointed by the commissioner of education, and one member from each of the regional councils. Each regional council shall elect one member to serve on the state board. Regional councils shall consist of 12 members, appointed by the chair of the state board with approval of the state board, with at least one person representing each of the following groups: (a) public school systems having grade levels kindergarten through 12, inclusive; (b) post-secondary educational institutions; (c) regional ~~economic~~ area development ~~commissions~~

alliances, where established; (d) voluntary organizations; (e) business, industry and agriculture; (f) labor organizations; and (g) elected local government officers. The term of a member of a regional council shall begin on July 1 and shall extend for a four-year term and until a successor is duly appointed and qualifies. A vacancy in the office of a member of any regional council shall be filled by the appointing authority, for the unexpired term.

The regional environmental education council corresponding to the metropolitan area regional development commission region as designated by the governor pursuant to section 462.385 executive order 8, dated September 1, 1971, shall consist of one member from each of the five task forces hereafter created, and seven public members. One task force consisting of seven members shall be appointed by the chair of the state board with the approval of the board to represent each of the following five geographic areas: the city of Minneapolis; the remainder of Hennepin county; Carver, Scott and Dakota counties; Ramsey county; and Anoka and Washington counties. Each task force shall select one of its members to serve on the metropolitan regional environmental education council. Members of the task forces shall be compensated and shall have terms similar to those of the regional environmental education councils.

Sec. 10. Minnesota Statutes 1988, section 116E.03, subdivision 8, is amended to read:

Subd. 8. [CONTRACTS.] The chief administrative officer of the state board may contract with persons, firms, corporations, organizations, units of government or institutions of higher learning for doing any of the work of the chief administrative officer, and none of the provisions of chapter 16, relating to bids, shall apply to such contracts. The regional councils may contract with the regional area development commissions designated by the governor pursuant to Minnesota Statutes 1971, section 462.385 alliances established under section 462.387, to accomplish the purposes of sections 116E.01 to 116E.04. All personnel employed and all contracts entered into pursuant to this subdivision shall be subject to the approval of the state board. Agreements to exercise delegated powers shall be by written order filed with the secretary of state.

Sec. 11. Minnesota Statutes 1988, section 116G.03, subdivision 5, is amended to read:

Subd. 5. "Regional Area development commission alliance" means any regional an area development commission created pursuant to sections 462.381 to 462.396 alliance established under section 462.387 and the metropolitan council created by established under chapter 473.

Sec. 12. Minnesota Statutes 1988, section 116G.06, is amended to read:

116G.06 [DESIGNATION.]

Subdivision 1. (a) The board shall periodically study and assess the resources and development of the state and shall recommend to the governor those areas that should be designated as areas of critical concern in accordance with criteria established in section 116G.05. In its recommendations, the board shall specify the boundaries of the proposed area of critical concern, state the reasons why the particular area proposed is of critical concern to the state or region, the dangers that would result from uncontrolled or inappropriate development of the area and the advantages that would be achieved from the development of the area in a coordinated manner and shall recommend specific principles for guiding the development of the area.

(b) Each ~~regional area development commission alliance~~ may from time to time recommend to the board areas wholly or partially within its jurisdiction that meet the criteria for areas of critical concern as defined in section 116G.05. Each ~~regional area development commission alliance~~ shall solicit from the local units of government within its jurisdiction suggestions as to areas to be recommended. A local unit of government in an area where no ~~regional area development commission alliance~~ has been established may from time to time recommend to the board areas wholly or partially within its jurisdiction that meet the criteria for areas of critical concern as defined in section 116G.05. The board shall provide the ~~regional area development commission alliance~~ or local unit of government with a written statement of its decision and the reasons therefor.

(c) Prior to submitting any recommendations to the governor, under this subdivision, the board shall conduct a public hearing in the manner provided in chapter 14 on the proposed designation at a location convenient to those persons affected by such designation.

Subd. 2. (a) The governor may designate by written order all or part of the recommended areas as areas of critical concern and specify the boundaries thereof and shall notify all local units of government in which any part or parts of a designated area or areas of critical concern are located.

(b) The order designating an area of critical concern shall (1) describe the boundaries of the area of critical concern, (2) indicate the reason that a particular area is of critical concern, (3) specify standards and guidelines to be followed in preparing and adopting plans and rules required in section 116G.07, and (4) indicate what development, if any, shall be permitted consistent with the policies

of sections 116G.01 to 116G.14 pending the adoption of plans and rules.

(c) The order designating an area of critical concern shall be effective for no longer than three years pending approval by the legislature or by the regional area development commission alliance, where one exists, of each development region alliance area in which a part of the area of critical concern is located. After a regional area development commission alliance has approved the designation of an area of critical concern, it shall not revoke or rescind its approval, except as necessary to update and reevaluate plans and regulations under section 116G.10.

Sec. 13. Minnesota Statutes 1988, section 116G.07, is amended to read:

116G.07 [PREPARATION, REVIEW, AND APPROVAL OF PLANS AND REGULATIONS.]

Subdivision 1. (a) Within 30 days of receiving notification of the designation of an area or areas of critical concern within its jurisdiction, the local unit of government shall submit existing plans and regulations which deal with or affect the area or areas so designated to the appropriate regional area development commission alliance or to the board if no regional area development commission alliance has been established.

(b) If no plans or regulations exist, the local unit of government shall upon receiving notification of the designation of an area or areas of critical concern within its jurisdiction:

(1) Within six months of said notification prepare plans and regulations for the designated area or areas of critical concern and submit them to the appropriate regional area development commission alliance for review; or

(2) Within 30 days of said notification request that the appropriate regional area development commission alliance prepare plans and regulations for the area or areas of critical concern. Within six months of receipt of such request, the regional area development commission alliance shall prepare said plans and regulations and submit them to the board for review. If no regional area development commission alliance has been established, the local unit of government may request that the board prepare plans and rules for adoption by the local unit of government.

Subd. 2. Within 45 days of receiving plans and regulations from the local unit of government under the provisions of subdivision 1, the regional area development commission alliance shall review the plans and regulations to determine their consistency with regional

objectives and the provisions of the order designating the areas of critical concern and transmit its recommendations, together with the plans and regulations, to the board.

Subd. 3. (a) Within 45 days of receiving plans and regulations from the local unit of government or a ~~regional~~ area development commission alliance, the board shall review the plans and regulations to determine their consistency with the provisions of the order designating the area, the recommendations of the ~~regional~~ area development commission alliance, and the review comments of such state agencies as the board shall deem appropriate, and shall either approve the plans and regulations by written order or return them to the local unit of government or ~~regional~~ area development commission alliance for modification along with a written explanation of the need for modification.

(b) Plans and regulations which are returned to the local unit of government or ~~regional~~ area development commission alliance for modification shall be revised consistent with the instructions of the board and resubmitted to the board within 60 days of their receipt, provided that final revision need not be made until a formal meeting has been held with the board on the plans and regulations if requested by the local unit of government or ~~regional~~ area development commission alliance.

(c) Plans or regulations prepared pursuant to this section shall become effective when enacted by the local unit of government or, following legislative or ~~regional~~ area development commission alliance approval of the designation, upon such date as the board may provide in its order approving said plans and regulations.

Sec. 14. Minnesota Statutes 1988, section 116G.08, is amended to read:

#### 116G.08 [EXCEPTIONS.]

(a) If, in the opinion of the board, the local unit of government is making a conscientious attempt to develop plans and regulations for the protection of a designated area or areas of critical concern within its jurisdiction, but the scope of the project is of a magnitude that precludes the completion, review, and adoption of the plans and regulations within the time limits established in section 116G.07, the board may grant an appropriate extension of time.

(b) If the board determines that a designated area or areas of critical concern is of a size and complexity that precludes the development of plans and regulations by a local unit of government or a ~~regional~~ area development commission alliance, or that the development of plans and regulations requires the assistance of the state, the board shall direct the appropriate state agency or agencies to assist the local unit of government and the ~~regional~~ area devel-

opment ~~commission~~ alliance in preparing the plans and regulations in accordance with a time schedule established by the board.

Sec. 15. Minnesota Statutes 1988, section 116J.971, subdivision 2, is amended to read:

Subd. 2. [RURAL REGION AREA REPRESENTATION.] The department of trade and economic development shall divide the part of the state located outside of the metropolitan area as defined in section 473.121, subdivision 2, into six regions. A region's boundaries must be coterminous with the boundaries of one or more of the development regions alliance areas established under section ~~462.385~~ 462.387.

Sec. 16. Minnesota Statutes 1988, section 116N.08, subdivision 2, is amended to read:

Subd. 2. [FUNDING REGIONS.] The board shall divide the state outside of the metropolitan area as defined in section 473.121, subdivision 2, into six regions. A region's boundaries must be coterminous with the boundaries of one or more of the development regions alliance areas established under section ~~462.385~~ 462.387. The board shall designate up to \$1,000,000 for each region, to be awarded over a period of three years. The money designated to each region must be used for revolving loans authorized in this section.

Sec. 17. Minnesota Statutes 1988, section 123.58, subdivision 2, is amended to read:

Subd. 2. [ESTABLISHMENT OF EDUCATIONAL COOPERATIVE SERVICE UNITS.] (a) In furtherance of this policy, ten educational cooperative service units are designated. Each unit, should it become operational, shall be termed an educational cooperative service unit, hereafter designated as an ECSU. Geographical boundaries for each ECSU shall coincide with those identified in governor's executive orders 8, dated September 1, 1971, and 59, dated May 29, 1973, issued pursuant to the regional development act of 1969, Minnesota Statutes, sections ~~462.381 to 462.397~~, with the following exceptions:

(i) Development regions one and two shall be combined to form a single ECSU;

(ii) Development regions six east and six west shall be combined to form a single ECSU;

(iii) Development regions seven east and seven west shall be combined to form a single ECSU.

The ECSU shall cooperate with the regional area development

commission alliance for the region area with which its boundaries most closely coincide but shall not be responsible to nor governed by that regional area development commission alliance.

(b) The geographic location of the central administrative office of a school district shall determine the membership of the total school district in a particular ECSU. Existing school district boundaries shall not be altered as a result of this section.

(c) Two or more identified ECSU units may, upon approval by a majority of school boards of participating school districts in each affected ECSU, be combined and administered as a single ECSU unit but state assistance shall be allocated on the basis of two or more ECSU units.

(d) The initial organization of each ECSU may occur only upon petition to the state board of education by a majority of all school districts in an ECSU. The state board of education shall, upon receipt of this petition, invite representation from all public school districts and shall encourage the participation of nonpublic school administrative units to the extent allowed by law in an ECSU at a regional meeting. The state board of education shall then assist in the necessary organizational activities for establishment of an ECSU pursuant to the requirements of this section.

Sec. 18. Minnesota Statutes 1988, section 134.34, subdivision 3, is amended to read:

Subd. 3. Regional library basic system support grants shall be made only to those regional public library systems officially designated by the state board of education as the appropriate agency to strengthen, improve and promote public library services in the participating areas. The state board of education shall designate no more than one such regional public library system located entirely within any single development region existing under sections 462.381 to 462.396 or chapter 473 as designated in governor executive orders 8, dated September 1, 1971, and 59, dated May 29, 1973.

Sec. 19. Minnesota Statutes 1988, section 138.93, subdivision 1, is amended to read:

Subdivision 1. [STATE ASSISTANCE.] The state may pay part of the cost of construction of non-state-owned historical interpretive center projects. The state's share may not exceed 50 percent of the cost of any project. In regions 3, 4, 9, 10, and 11, expenditures from appropriations by the 1977, 1978, and 1979 legislature shall be considered part of the state share of the project cost for the purposes of this section. No more than ten percent of the state's share of future appropriations pursuant to this section may be used for professional services. Development regions are the regions designated pursuant

to section 462.385 in governor executive orders 8, dated September 1, 1971, and 59, dated May 29, 1973. There shall not be more than one state assisted project in each region.

Sec. 20. Minnesota Statutes 1988, section 145A.09, subdivision 6, is amended to read:

Subd. 6. [BOUNDARIES OF COMMUNITY HEALTH SERVICE AREAS.] The community health service area of a multicounty or multicity community health board must be within a region designated an alliance area established under sections 462.381 to 462.398, unless this condition is waived by the commissioner with the approval of the regional area development commission alliance directly involved or the metropolitan council, if appropriate. In a region an area without a regional an area development commission alliance, the commissioner of the state planning agency shall act in place of the regional area development commission alliance.

Sec. 21. Minnesota Statutes 1988, section 174.031, subdivision 1, is amended to read:

Subdivision 1. [STUDIES DIRECTED.] The commissioner of transportation shall establish and direct a series of highway jurisdiction studies at the regional and multicounty level. The studies must be so designed and conducted as to constitute a comprehensive review in each development region, as designated under section 462.385 alliance area established under section 462.387, of the existing ownership of all roads and proposed changes in jurisdiction of those roads.

Sec. 22. Minnesota Statutes 1988, section 245.872, subdivision 2, is amended to read:

Subd. 2. [DISTRIBUTION OF FUNDS.] The commissioner shall allocate grant money appropriated for child care services among the 12 development regions designated by the governor under section 462.385 executive orders 8, dated September 1, 1971, and 59, dated May 29, 1973, in proportion to the ratio of the number of children to the number of licensed child care slots available in each region. Out of the amount allocated for each development region, the commissioner shall award grants based on the recommendation of the grant review advisory task force. In addition, the commissioner shall:

(1) award no more than 75 percent of the money either to child care facilities for the purpose of facility improvement or interim financing or to child care workers for staff training expenses; and

(2) redistribute funds not awarded by January 1, 1989, without regard to the distribution formula in this subdivision.

Sec. 23. Minnesota Statutes 1988, section 252.46, subdivision 4, is amended to read:

Subd. 4. [NEW VENDORS.] Payment rates established by a county for calendar years 1988 and 1989, for a new vendor for which there were no previous rates must not exceed 125 percent of the average payment rates in the regional development commission district under sections 462.381 to 462.396 region, as designated in governor executive orders 8, dated September 1, 1971, and 59, dated May 29, 1973, in which the new vendor is located.

Sec. 24. Minnesota Statutes 1988, section 252.46, subdivision 8, is amended to read:

Subd. 8. [COMMISSIONER'S NOTICE TO BOARDS; VENDORS.] The commissioner shall notify the county boards and vendors of:

(1) the average regional payment rates and 125 percent of the average regional payments rates for each of the regional development commission districts designated in sections 462.381 to 462.396 regions designated in governor executive orders 8, dated September 1, 1971, and 59, dated May 29, 1973; and

(2) the projected inflation rate for the year in which the rates will be effective equal to the most recent projected change in the urban consumer price index, all items, published by the United States Department of Labor, for the upcoming calendar year over the current calendar year.

Sec. 25. Minnesota Statutes 1988, section 256E.08, subdivision 10, is amended to read:

Subd. 10. [INTERCOUNTY COOPERATION.] Two or more contiguous counties that are situated within the boundaries of the same region designated alliance area established pursuant to sections 462.381 to 462.396 or the metropolitan area as defined in section 473.121, subdivision 2, and that have not established a human services board may, by resolution of their respective county boards, agree to combine into one board for social service purposes to serve the counties that enter into the agreement. The joint board shall have the same powers, duties, and functions as the individual county boards. The term of the joint board, withdrawal from the joint board, composition of the board, and contribution to the expenses of the board shall be according to the terms of the agreement. Nothing in this section shall prevent a county board from purchasing services from an agency outside the boundaries of the Minnesota economic development region alliance area in which it is situated. A joint board established pursuant to this section may encompass completely two regions. Insofar as possible, social services which are

jointly administered shall be equally accessible to all residents of the counties that are party to the agreement.

Sec. 26. Minnesota Statutes 1988, section 402.01, subdivision 1, is amended to read:

Subdivision 1. One or more contiguous counties situated within the boundaries of the same region designated alliance area established pursuant to sections 462.381 to 462.396 or section 473.122, may, by resolution of their county boards of commissioners, designate a human services board having the composition, powers, and duties provided in sections 402.01 to 402.10.

Sec. 27. Minnesota Statutes 1988, section 462A.04, subdivision 1, is amended to read:

Subdivision 1. There is created a public body corporate and politic to be known as the "Minnesota housing finance agency," which shall perform the governmental functions and exercise the sovereign powers delegated to it in this chapter in furtherance of the public policies and purposes declared in section 462A.02. The agency shall consist of the commissioner of trade and economic development, state auditor, and five public members appointed by the governor with advice and consent of the senate. No more than two public members shall reside in the area of jurisdiction of the metropolitan council as provided in section 473.123, subdivision 1, and no more than one public member shall reside in any one of the ~~development~~ regions alliance areas established under the provisions of sections 462.381 to 462.396. Each member shall hold office until a successor has been appointed and has qualified. A certificate of appointment or reappointment of any member shall be conclusive evidence of the due and proper appointment of the member.

Sec. 28. [REPEALER.]

Minnesota Statutes 1988, section 116K.11, is repealed."

Delete the title and insert:

"A bill for an act relating to economic development; revising provisions governing regional development commissions; renaming regional development commissions; authorizing the establishment of area development alliances; appropriating money; amending Minnesota Statutes 1988, sections 110B.08, subdivision 2; 115A.03, subdivisions 8 and 26; 115A.09, subdivision 3; 115A.21, subdivision 2; 115A.45; 115A.52; 115A.64, subdivision 3; 116E.02, subdivision 1; 116E.03, subdivision 8; 116G.03, subdivision 5; 116G.06; 116G.07; 116G.08; 116J.971, subdivision 2; 116N.08, subdivision 2; 123.58, subdivision 2; 134.34, subdivision 3; 138.93, subdivision 1; 145A.09, subdivision 6; 174.031, subdivision 1; 245.872, subdivision 2; 252.46,

subdivisions 4 and 8; 256E.08, subdivision 10; 402.01, subdivision 1; 462.381; 462.382; 462.383; 462.384, subdivisions 1, 2, 7, and by adding subdivisions; 462.386; 462.387; 462.388; 462.389; 462.39; 462.393; 462.394; 462.395; 462.396; 462.397; 462.398; and 462A.04, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 462; repealing Minnesota Statutes 1988, sections 116K.11; 462.371; 462.372; 462.373; 462.374; 462.375; 462.384, subdivisions 3, 4, 5, and 6; 462.385; 462.391; and 462.392.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Local Government and Metropolitan Affairs.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 501, A bill for an act relating to education; vocational technical; allowing purchase of real property by independent school district No. 347.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 505, A bill for an act relating to veterans; removing a limitation on veterans in the category of protected groups for the purpose of state employment; amending Minnesota Statutes 1988, section 43A.02, subdivision 33.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 514, A bill for an act relating to veterans affairs; increasing the amount of educational assistance for war orphans and veterans; increasing educational assistance for POW/MIA dependents; providing for cost-of-living increases; amending Minnesota Statutes 1988, sections 197.75, subdivision 1; and 197.752.

Reported the same back with the following amendments:

Page 1, line 26, delete "\$525" and insert "\$900"

Page 2, line 1, delete "\$525" and insert "\$900"

Page 2, line 31, delete "\$325" and insert "\$900"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 521, A bill for an act relating to agriculture; authorizing a grasshopper control program; providing inspection and control of plant pests in the same manner as noxious weeds; providing for inspection, control, and enforcement of noxious weeds and plant pests; providing penalties; appropriating money; amending Minnesota Statutes 1988, sections 18.022, subdivision 2; 84.0895, subdivision 2; and 160.02, subdivision 14; proposing coding for new law in Minnesota Statutes, chapter 18; repealing Minnesota Statutes 1988, sections 18.171 to 18.315; Revised Laws of Minnesota 1905, sections 2385, 2386, 2387, 2388, 2389, and 2390.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 18.022, subdivision 2, is amended to read:

Subd. 2. [COST.] (a) ~~In order~~ To defray the cost of ~~such the~~ activities ~~under subdivision 1,~~ the governing body of ~~any such~~ a political subdivision may levy a special tax which, except when levied by a county, ~~shall~~ must not exceed two-thirds mill in any year in excess of charter or statutory millage limitations; ~~but not in any event more than 50 cents per capita;~~ and ~~any such.~~ The political subdivision may make ~~such a~~ the levy, where necessary, separate from the general levy and at any time of the year. (b) If, because of the prevalence of Dutch elm disease, the governing body of such a political subdivision is unable to defray the cost of control activities authorized by this section within the limits set by this subdivision, the limits set by this subdivision are increased to 1½ mills, but not in any event more than one dollar per capita.

## NOXIOUS WEED AND PLANT PEST CONTROL

## Sec. 2. [18.801] [CITATION.]

Sections 2 to 22 may be cited as the "noxious weed and plant pest control law."

## Sec. 3. [18.805] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 2 to 22. [18.171 s. 1]

Subd. 2. [ERADICATE.] "Eradicate" means complete killing of weeds by use of cutting, chemicals, tillage, cropping system, pasturing, livestock, or crops, or all of these in effective combination. [18.171 s. 6]

Subd. 3. [LAND.] "Land" includes wetlands and public waters. [18.171 s. 8]

Subd. 4. [MUNICIPALITY.] "Municipality" means a statutory or home rule charter city or township. [18.171 s. 2]

Subd. 5. [NONRESIDENT PROPERTY.] "Nonresident property" means property that is unoccupied, the owner of which does not reside within the county. [18.171 s. 3]

Subd. 6. [NOXIOUS WEEDS.] "Noxious weeds" means the annual, biennial, and perennial plants that are declared noxious weeds by law, or by the commissioner by order after determining the plants to be injurious to public health or welfare, public roads, crops, livestock, and other property. The commissioner's orders under this subdivision are not subject to chapter 14, except section 14.38, subdivisions 7 and 8. [18.171 s. 5]

Subd. 7. [OTHERWISE DESTROY.] "Otherwise destroy" means killing plant pests or noxious weeds above the surface of the ground. [18.171 s. 6]

Subd. 8. [PERMANENT PASTURE AND MEADOW.] "Permanent pasture and meadow" means an area of native or seeded perennial grasses and other perennial plants used for hay or grazing that has been seeded for more than two years and does not include annuals or biennials planted for or to be used for hay or pasture not more than one or two years. [18.171 s. 7]

Subd. 9. [PLANT PESTS.] "Plant pests" means insects declared to be plant pests by law, or by the commissioner by order after determining the plant pests are injurious to the public health or welfare and damaging to plants. The commissioner's orders under

this subdivision are not subject to chapter 14, except section 14.38, subdivisions 7 and 8.

Subd. 10. [RESIDENT PROPERTY.] "Resident property" means property occupied or owned by persons residing within the county. [18.171 s. 4]

Subd. 11. [ROAD.] "Road" means trunk highways, county state-aid highways, county highways, minimum maintenance roads, and cartways.

Subd. 12. [ROAD AUTHORITY.] "Road authority" means the commissioner for trunk highways, the county board for county state-aid highways and county highways, the town board for town roads, and the governing bodies of cities if the governing bodies or city streets are specifically mentioned.

Subd. 13. [WEED AND PLANT PEST LAW.] "Weed and plant pest law" means the provisions of sections 2 to 22 and other provisions of law relating to weed and plant pest control.

## RESPONSIBILITY FOR WEED AND PLANT PEST CONTROL

### Sec. 4. [18.811] [LANDOWNER'S RESPONSIBILITY FOR NOXIOUS WEED AND PLANT PEST CONTROL.]

Subdivision 1. [GENERAL DUTY.] Except as otherwise specifically provided in sections 2 to 22, a person occupying property or, if the property is unoccupied, the owner of the property, the owner's agent, or the public official in charge of the property must:

(1) eradicate or otherwise destroy noxious weeds standing, existing, or growing on the land in a manner and at times directed or ordered by the commissioner, the commissioner's authorized agents, the county agricultural inspector, or a local weed and plant pest inspector having jurisdiction over the land; and

(2) eradicate or otherwise destroy plant pests in a manner and at times directed or ordered by the commissioner, the commissioner's authorized agents, the county agricultural inspector, or a local weed and plant pest inspector having jurisdiction over the land. [18.191]

Subd. 2. [RESPONSIBILITY FOR PURPLE LOOSESTRIFE ON PUBLIC WATERS.] (a) Except as provided in paragraph (b), an owner of nonfederal lands underlying public waters or wetlands designated under section 105.391 is not required to control or eradicate purple loosestrife (*Lythrum salicaria*) below the ordinary high water level of the public water or wetland. The commissioner of natural resources is responsible for control and eradication of

purple loosestrife on public waters and wetlands designated under section 105.391, except purple loosestrife on lands owned in fee title or managed by the United States. The officers, employees, agents, and contractors of the commissioner may enter public waters and wetlands designated under section 105.391 and may cross adjacent lands as necessary for the purpose of investigating purple loosestrife infestations, formulating methods of eradication, and implementing control and eradication of purple loosestrife.

(b) The responsibility of the commissioner to control and eradicate purple loosestrife on public waters and wetlands located on private lands and the authority to enter private lands ends ten days after receipt by the commissioner of a written statement from the landowner that the landowner assumes responsibility for control and eradication of purple loosestrife under sections 2 to 22.

(c) State officers, employees, agents, and contractors are not liable in a civil action for trespass committed in the discharge of their duties under this section and are not liable to anyone for damages, except for damages arising from gross negligence. [18.191]

**Sec. 5. [18.815] [RAILWAY COMPANIES MUST DESTROY NOXIOUS WEEDS AND PLANT PESTS.]**

**Subdivision 1. [DUTY TO ERADICATE.] Railway companies including suburban railway companies must:**

(1) cause all noxious weeds standing, existing, or growing on the right-of-way or on property of the company adjoining the right-of-way, to be eradicated or otherwise destroyed in a manner and at times directed or ordered by the commissioner, the local weed and plant pest inspector, or the county agricultural inspector after consultation with the local weed and plant pest inspector; and

(2) eradicate or otherwise destroy plant pests in a manner and at times directed or ordered by the commissioner, the local weed and plant pest inspector, or the county agricultural inspector after consultation with the local weed and plant pest inspector. [18.201]

**Subd. 2. [FAILURE TO ERADICATE.] (a) If a company fails to perform its duty, the local weed and plant pest inspector, or the county agricultural inspector after consultation with the local weed and plant pest inspector, shall give the notice provided in section 14, subdivision 2. The notice must be served in the manner for serving a summons in a civil action in the district court.**

**(b) If the weeds or plant pests are not eradicated or otherwise destroyed within the time directed in the notice, the local weed and plant pest inspector, the county agricultural inspector after consultation with the local weed and plant pest inspector, or the commis-**

sioner shall cause the weeds or plant pests to be eradicated and otherwise destroyed and furnish the owner of the land where the weeds or plants grew or where the plant pests were located with an itemized statement showing the reasonable cost of eradication and destroying the weeds or the plant pests. The owner of the land must pay the reasonable cost to the municipality that caused the eradication or destruction of the weeds or plant pests. If the owner fails to pay the reasonable cost within 20 days after the statement is furnished, the reasonable cost of eradication and destruction of the weeds or plant pests may be recovered by the municipality or by the commissioner in a civil action. [18.201]

**Sec. 6. [18.821] [ROAD AUTHORITY RESPONSIBILITY FOR NOXIOUS WEEDS AND PLANT PESTS.]**

Subdivision 1. [RESPONSIBILITY FOR ERADICATION.] Road authorities must:

(1) annually eradicate or otherwise destroy noxious weeds standing, located, or growing on roads and their rights-of-way, as often as necessary to prevent the ripening or scattering of seed and other propagating parts of the weeds, in the manner directed or ordered by the commissioner or the county agricultural inspector or local weed and plant pest inspector having jurisdiction; and

(2) eradicate or otherwise destroy plant pests in a manner and at times directed by the commissioner or the county agricultural inspector or local weed and plant pest inspector having jurisdiction. [18.211]

Subd. 2. [ACCOUNTING FOR EXPENSE.] The expense incurred must be charged against maintenance funds of the road authority provided for this purpose. [18.211]

**Sec. 7. [18.825] [TAX-FORFEIT, TAX-EXEMPT, AND INDIAN RESERVATION LAND.]**

If the officials or persons in charge of tax-exempt or tax-forfeited lands or Indian reservation lands fail to eradicate or otherwise destroy noxious weeds or plant pests in the manner prescribed in sections 2 to 22, or as provided in a served notice within the required number of days after service, the commissioner shall proceed to cause the noxious weeds or plant pests to be eradicated or otherwise destroyed. The expense incurred is a charge against funds provided for this purpose and, on presentation of an itemized account of the charges, payment must be made by the public officials in charge of the funds. [18.241 s. 3]

**Sec. 8. [18.831] [CONTROL ON STATE LANDS.]**

Subdivision 1. [LOCAL CONTROL IF STATE FAILS.] A town or municipality may eradicate or otherwise destroy or act to control noxious weeds or plant pests on state-owned property that is located within the boundary of the town or city if the state agency responsible for supervision and maintenance of the land fails to take steps to control the noxious weeds or plant pests within 14 days of receiving a notice to control the noxious weeds or plant pests from the town board or city council. [18.315]

Subd. 2. [EXPENSES.] A town or city that eradicates or otherwise destroys or acts to control noxious weeds or plant pests under this section must be reimbursed from the operating budget of the state agency responsible for the land and the amount is appropriated from that fund on presentation of documented proof of reasonable and necessary expenses incurred to prevent the spread of noxious weeds or plant pests from the state-owned land. Each request for reimbursement must first be approved by the commissioner of agriculture. [18.315]

Sec. 9. [18.835] [THRESHING EQUIPMENT CLEANED BEFORE MOVING.]

Subdivision 1. [CLEANING OF THRESHING MACHINES REQUIRED.] A person owning or operating a threshing machine, combine, seed huller, hay baler, or other equipment used in the harvesting of crops, must immediately after completing the threshing of grain or seed at each and every point of threshing or before interstate or intrastate transit, clean or cause the machine to be cleaned, along with wagons and other outfits used in connection with the threshing, so that seeds of noxious weeds are not carried to, or on the way to, the next place of threshing by the threshing outfit. [18.221]

Subd. 2. [NOTICE.] A printed copy of this section, in form provided by the commissioner, must be affixed by the owner and remain affixed to every threshing machine, combine, seed huller, hay baler, and other equipment used in the harvesting of crops whenever that equipment is operated in the state. [18.221]

Subd. 3. [FINE.] A person violating this section is subject to a fine of not less than \$10 nor more than \$25 for each violation. [18.221]

Sec. 10. [18.841] [TRANSPORTATION OF NOXIOUS WEED MATERIAL.]

(a) Except as provided in section 21.74, a person may not transport on a public highway materials containing seeds or other propagating parts of leafy spurge, horse nettle, Austrian field cress, field bindweed, perennial pepper grass, wild radish, sow thistle, Canada thistle, hoary alyssum, purple loostripe, or any other noxious weed designated by the commissioner, unless the person obtains a written

permit for the transportation of the material from a local or state weed and plant inspector or a county agricultural inspector.

(b) Inspectors may issue permits to persons residing or operating within their respective jurisdictions to regulate the transportation of the material and to require proper treatment, cleaning, sterilization, or destruction of material that has been or is about to be transported or deposited to prevent the growing or scattering of any weed seeds or other propagating parts contained in the material.

(c) Copies of permits issued under this section must be immediately sent to the commissioner. [18.241 s. 2]

Sec. 11. [18.845] [PACKAGING OF TRANSPORTED NOXIOUS WEED MATERIAL.]

Except as provided in section 21.74, a person may not transport on a public highway grain seed, screenings, hay forage, straw, soil, gravel, sand, or refuse and other materials containing seeds and other propagating parts of leafy spurge, horse nettle, Austrian field cress, field bindweed, perennial pepper grass, wild radish, sow thistle, Canada thistle, hoary alyssum, purple loosestrife, or any other noxious weeds designated by the commissioner, unless it is in sacks, bales, boxes, or other containers sufficiently tight and closed or covered with canvas or other material to prevent seeds and other propagating parts of the weeds from blowing or scattering along the highway or on other lands or water. [18.241 s. 2]

Sec. 12. [18.851] [SCATTERING OR DUMPING NOXIOUS WEED MATERIAL PROHIBITED.]

Subdivision 1. [SCATTERING OR DUMPING PROHIBITED.] Except as provided in subdivision 2, a person may not scatter or dump on land or in water:

(1) grain, seed, and screenings containing seeds and other propagating parts of noxious weeds in excess of legal limits of weed seeds per pound in agricultural seed; or

(2) soil, gravel, rubbish, trash, and other materials containing seeds or other propagating parts of noxious weeds in harmful amounts as determined by rule of the commissioner. [18.241 s. 2]

Subd. 2. [EXCEPTION.] The material described in subdivision 1 may be scattered or dumped if it is processed, treated, or buried sufficiently deep to destroy viable seeds and other propagating parts contained by the material so that the legal limit of viable weed seeds per pound in agricultural seed is not exceeded. [18.241 s. 2]

## INSPECTION AND WEED CONTROL

## Sec. 13. [18.855] [INSPECTORS.]

Subdivision 1. [COUNTY AGRICULTURAL INSPECTORS.] (a) The board of county commissioners, when requested by the commissioner, shall appoint one or more county agricultural inspectors who meet qualifications prescribed by the commissioner.

(b) Agricultural inspectors shall:

(1) enforce the provisions of laws and rules relating to weed control and seed inspection;

(2) enforce laws and rules relating to plant pests and plant pest control;

(3) participate in insect and plant disease, poison, feed, and fertilizer programs; and

(4) participate in other agricultural programs by request of the commissioner that are under the commissioner's control, unless the board of county commissioners vetoes participation in the programs.

(c) The appointment of agricultural inspectors is for full-time employment, or for a period of time mutually agreeable to the board of county commissioners and the commissioner. The resolution appointing agricultural inspectors must set the compensation to be paid to the persons appointed and in addition provide for reimbursement of necessary traveling expenses. [18.231 s. 1]

Subd. 2. [TOWN BOARD MEMBERS AS LOCAL WEED AND PLANT PEST INSPECTORS.] (a) The members of town boards are local weed and plant pest inspectors within their respective towns.

(b) A town board may appoint persons as assistant weed and plant pest inspectors. An assistant weed and plant pest inspector has the powers and authority of a town board member as a weed and plant pest inspector. An appointment may be for full time or part time. Notice of an appointment, with a statement of the time for which appointment is made, must be delivered to the commissioner within ten days after the date the appointment was made.

(c) The town board shall compensate the local weed and plant pest inspectors and assistant inspectors at a rate of at least \$1 per hour plus necessary traveling expenses. The hourly compensation must be an amount determined by the town board that is consistent with the hourly wage rate prevailing in the community or area for similar work and sufficient to obtain competent inspectors. The compensation is to be in addition to the amount allowed by law for

other supervisory duties, if any, performed by the local weed and plant pest inspectors or assistant inspectors. [18.231 s. 2]

**Subd. 3. [MAYOR OF MUNICIPALITY IS LOCAL WEED AND PLANT PEST INSPECTOR.]** (a) Except as provided in subdivision 4, the mayor of a municipality is the local weed and plant pest inspector in the municipality.

(b) A mayor of a municipality may appoint persons as assistant weed and plant pest inspectors in the municipality. An assistant local weed and plant pest inspector has the powers and authority of a local weed and plant pest inspector.

(c) Notice of an appointment must be sent to the commissioner within ten days from the date of the appointment.

(d) The compensation of the local weed and plant pest inspectors and assistant inspectors must be at least \$1 per hour plus necessary expenses. The hourly compensation must be determined by the municipal council in an amount consistent with the hourly wage rate prevailing in their community or area for similar work and sufficient to obtain competent inspectors. The compensation must be paid from the general revenue fund or other fund of the municipality designated by the council and is in addition to compensation and expenses paid to the local weed and plant pest inspectors or assistant inspectors for other duties as an official or employee of the municipality. [18.231 s. 3]

**Subd. 4. [MINNEAPOLIS WEED AND PLANT PEST INSPECTOR.]** (a) Notwithstanding the provisions of subdivision 3, the governing body of the city of Minneapolis shall appoint or designate an employee of the city as local weed and plant pest inspector and set an amount for compensation.

(b) The commissioner must be sent notice within ten days of the appointment or designation. [18.231 s. 3a]

**Subd. 5. [PAYMENT OF EXPENSES.]** (a) Failure on the part of a municipality or town to include the item of weed inspection in the annual budget is not an excuse and does not justify the nonpayment of charges or expenses incurred by inspectors under sections 2 to 22. The charges or expenses must be audited and paid as other obligations of the municipality or town are paid.

(b) If the commissioner determines that weed inspection has not been done commensurate with the bill presented, the commissioner may recommend to the county board, town board, or municipal council that the bill not be paid. [18.231 s. 4]

**Subd. 6. [PAYMENT BY COUNTY.]** If a municipality or town

neglects or refuses, for a period of 60 days, to make payments of charges or expenses incurred by local weed and plant pest inspectors, the inspectors must be paid by the county auditor on the recommendation of the commissioner, and the total of the amounts paid by the county must be included by the county auditor as a part of the next annual tax levy in the municipality or town and withheld from that municipality or town in making the next apportionment to the municipality or town. [18.231 s. 5]

Sec. 14. [18.861] [DUTIES OF LOCAL WEED AND PLANT PEST INSPECTORS.]

Subdivision 1. [EXAMINATION OF LAND.] A local weed and plant pest inspector shall examine all lands, roads, alleys, and public ground in the inspector's jurisdiction to determine if the property is in compliance with the weed and plant pest law and the rules of the commissioner. [18.241 s. 1]

Subd. 2. [NOTICE.] (a) If a local weed and plant pest inspector finds that property is not in compliance, the inspector shall cause a notice, in writing, on a form to be prescribed by the commissioner, to be given to the proper public official or to the owner or occupant, or to the agent of an owner of nonresident lands where noxious weeds are standing or growing and in danger of going to seed or otherwise spreading, or plant pests are located or plants harboring the eggs or offspring of plant pests are located.

(b) The notice must require:

(1) the noxious weeds to be cut down, otherwise destroyed, or eradicated on the land in a specified time and manner; or

(2) plant pests eradicated or the plant pests or pest-harboring plants eradicated or otherwise destroyed. [18.241 s. 1]

Subd. 3. [INSPECTOR ATTENDANCE AT CONFERENCES.] The inspector shall also attend, when required, conferences called by the commissioner to receive instructions and for a discussion of the weed and plant pest law and its administration. The commissioner must inform inspectors on control methods that minimize adverse environmental impact. [18.241 s. 1]

Sec. 15. [18.865] [NOTICE AND DESTRUCTION OF WEEDS BY INSPECTORS.]

Subdivision 1. [WEED AND PLANT PEST CONTROL NOTICES.] Weed and plant pest control notices may be general notices or individual notices. The notices must be on a form prescribed by the commissioner. [18.271 s. 1]

Subd. 2. [GENERAL NOTICE.] A general notice must be published by the local weed and plant pest inspector of a township, municipality, or county, in one or more legal newspapers of general circulation throughout the area over which the inspector has jurisdiction, on or before June 15 of each year, and at other times as directed by the commissioner or determined by the local weed and plant pest inspectors. [18.271 s. 1]

Subd. 3. [LACK OF NOTICE DOES NOT RELIEVE LAND-OWNER.] Failure of an inspector to publish general notices or to serve individual notices does not relieve a person from the duty of compliance with the weed and plant pest law. Published general notice is legal and sufficient notice. [18.271 s. 1]

Subd. 4. [INDIVIDUAL NOTICES.] (a) An inspector may cause individual notices to be served on landowners and occupants if more prompt or definite control or eradication of noxious weeds or plant pests in certain special or individual instances involving one or a limited number of persons is needed than is accomplished by the general published notices. Individual notices must be in writing and served on the owner and the occupant, if the occupant is not the owner, giving specific instructions and methods of when and how certain named weeds and plant pests are to be controlled or eradicated.

(b) The methods of control may include definite systems of tillage, cropping, management, and use of livestock and must be designed to minimize adverse environmental impact.

(c) Individual notices must be served in the same manner as a summons in a civil action in the district court or by certified mail. Service on persons living temporarily or permanently outside of the inspector's jurisdiction whose property is vacant or unoccupied may be made by sending the notice by certified mail to the last known address of the person, to be ascertained, if necessary, from the last tax list in the county treasurer's office. [18.271 s. 2]

Subd. 5. [DESTRUCTION BY INSPECTOR.] (a) If a person is served a notice but fails to eradicate or otherwise destroy noxious weeds or plant pests or a crop where the weeds or plant pests are intermingled or growing, within the time and manner designated by the inspector, the local weed and plant pest inspector having jurisdiction, or if there is no local weed and plant pest inspector, the county agricultural inspector or the commissioner, shall cause the weeds to be eradicated or otherwise destroyed at the expense of the county where the land is located.

(b) The claim for the expense of serving notices and the cost of eradicating or otherwise destroying the noxious weeds or plant pests is a legal charge against the county where the land is located. After eradicating or otherwise destroying noxious weeds or plant pests,

the inspector or the commissioner directing the control shall file verified and itemized statements of the costs of the services rendered in connection with serving of notices and eradicating or otherwise destroying the noxious weeds or plant pests on each separate tract or lot of land, with the county auditor where the land is located. The county auditor shall immediately issue proper warrants to pay the persons owed for the amounts specified.

(c) The amount of the expenses is a lien in favor of the county against the land where the weed or plant pest control occurred and must be certified by the county auditor and entered on the auditor's tax books as a tax on the land. The amount must be collected as other real estate taxes are collected. The amount of the expenses when collected must be used to reimburse the county for its weed and plant pest control expenditure. [18.271 s. 3]

Subd. 6. [CANNABIS SATIVA L.] Notwithstanding the provisions of subdivision 5 relating to procedures for payment of costs and expenses incurred, a county agricultural inspector may provide for the destruction of the plant Cannabis sativa L. at the expense of the county if strict compliance with subdivision 5 is considered impractical. [18.271 s. 3a]

Subd. 7. [COSTS AND EXPENSES.] (a) Notwithstanding the provisions of subdivision 5 relating to procedures for payment of costs and expenses incurred, if the local weed and plant pest inspector or the assistant weed and plant pest inspector of a city causes noxious weeds or plant pests to be eradicated or otherwise destroyed on property within the municipality under the authority of this section, the procedures in paragraphs (b) and (c) apply for costs and expenses thus incurred.

(b) Notice in writing of the work done and the costs and expenses involved must be served on the owner or occupant of the property in accordance with the individual notice provisions of subdivision 4. The notice must provide a tabulation of the total costs and expenses involved and indicate that if the total amount is not paid to the city within 30 days or before the following October 1, whichever is later, the costs and expenses become a lien in favor of the municipality and a penalty of eight percent must be added to the amount due as of that date, with the total costs, expenses, and penalty to be certified to the county auditor and entered on the auditor's tax books as a tax on the land.

(c) Amounts collected by the county auditor under this subdivision must be paid to the city to reimburse the municipality for the municipality's weed and plant pest control expenditures. [18.271 s. 4]

Subdivision 1. [INSPECTION AND NOTICE BY INSPECTOR.]

(a) Notwithstanding subdivisions 1 to 3, the local weed and plant pest inspector or county agricultural inspector may eradicate or otherwise destroy the weeds or pests, and the crop on areas not exceeding three acres in the aggregate in any one field or crop of 40 acres or less, other than permanent pasture or meadow, without a notification or application to the mayor or a county commissioner.

(b) Except as provided in paragraph (a), if a local weed and plant pest inspector or county agricultural inspector determines it is necessary to eradicate or otherwise destroy a growing crop or a part of the crop to prevent the spread of noxious weeds or plant pests within the inspector's jurisdiction, the inspector shall notify the mayor of the municipality or a county commissioner to inspect the crop. The notice must be in writing on a form prescribed by the commissioner. [18.251]

Subd. 2. [INSPECTION AND DETERMINATION BY MAYOR OR COUNTY COMMISSIONER.]

(a) If, after an inspection, the mayor or county commissioner determines that the weeds or plant pests and the crop or portion of the crop should be eradicated or otherwise destroyed, the eradicating or destroying must be performed immediately under the direction or by the authority of the local weed and plant pest inspector or under the direction of the county agricultural inspector.

(b) If the mayor or county commissioner determines after the inspection that the weeds or plant pests and the crop or a portion of the crop should not be eradicated or otherwise destroyed, the mayor or county commissioner shall report that determination to the commissioner.

(c) If, after being notified by the local weed and plant pest inspector or the county agricultural inspector to inspect a crop, the mayor or county commissioner fails to make the inspection and to report to the local weed and plant pest inspector or agricultural inspector within seven days after receiving a notice to inspect the crop, the local weed and plant pest inspector or county agricultural inspector may proceed to eradicate or otherwise destroy the weeds or plant pests and crop in the same manner as if the mayor or county commissioner notified had made an inspection and determined that the weeds or plant pests and crops should be eradicated or otherwise destroyed. [18.251]

Subd. 3. [DETERMINATION BY THE COMMISSIONER.] The commissioner shall make a final determination of whether the weeds or plant pests and the crop or portion of the crop should be eradicated or otherwise destroyed. If the commissioner determines that the weeds or plant pests and the crop or a portion of the crop should be eradicated or otherwise destroyed, the local weed and plant pest inspector or county agricultural inspector shall immedi-

ately cause the weeds or plant pests and the crop or portion of the crop to be eradicated or otherwise destroyed. [18.251]

Subd. 4. [ACTION FOR DAMAGES BARRED.] An action or claim for damages is not allowed or sustainable against anyone in respect to destruction or eradication of crops under this section. [18.251]

Sec. 17. [18.875] [REPORTS BY INSPECTORS.]

Local weed and plant pest inspectors and agricultural inspectors shall make reports as required by the commissioner. [18.261]

Sec. 18. [18.881] [INSPECTOR ENTRANCE UPON LAND NOT TRESPASS.]

A local weed and plant pest inspector, county agricultural inspector, the commissioner, or the commissioner's agents may enter any property without consent of the owner and without being subject to an action for trespass or damages in performance of duties under the weed and plant pest law. [18.241 s. 4]

## FUNDING

Sec. 19. [18.885] [LOCAL FUNDING.]

Subdivision 1. [COUNTY FUNDING OF WEED AND PLANT PEST CONTROL.] (a) County boards shall provide funds and adequate equipment, materials, and labor for control, eradication, and other destruction of weeds and plant pests on county highways and property, and for assistance of county agricultural inspectors and local weed and plant pest inspectors in the county to inspect weed and plant pests and control and enforce the weed and plant pest law.

(b) Counties may cooperate with the state, towns, municipalities, and private property owners and provide county funds, equipment, materials, labor, and facilities for weed and plant pest inspection, control, and eradication with or without reimbursement from the public agency or private property benefited. [18.241 s. 3]

Subd. 2. [TOWN AND MUNICIPALITY FUNDING.] Towns and municipalities may by vote of their electors or governing boards provide funds, equipment, materials, and labor for weed and plant pest control and arrange for their use on public or private property within their jurisdiction with or without reimbursement from the public agency or property benefited. [18.241 s. 3]

## ENFORCEMENT

## Sec. 20. [18.891] [COMMISSIONER'S DUTIES.]

Subdivision 1. [IMPLEMENTATION AND ENFORCEMENT.] The commissioner shall implement and enforce the weed and plant pest control law. [18.181]

Subd. 2. [RULES.] The commissioner may adopt rules to implement the weed and plant pest control law. [18.181]

Subd. 3. [INVESTIGATION AND INSPECTION.] (a) The commissioner shall investigate noxious weeds and plant pests, and may require information from a county agricultural inspector, local weed and plant pest inspector, mayor, county commissioner, or county agent relative to the presence of noxious weeds or plant pests or other information about noxious weeds or plant pests and their control in the localities where the person resides or has jurisdiction. [18.181]

(b) The commissioner may enter or designate a person to enter property to take samples of weeds, weed seeds, grains, plants, plant pests, or other material needed for investigation of noxious weeds or plant pests. [18.181]

Subd. 4. [ERADICATION AND CONTROL INFORMATION.] (a) The commissioner shall suggest and formulate methods for the eradication and destruction of noxious weeds and plant pests from agricultural and other land in this state, including promotion of methods that minimize adverse environmental impact.

(b) The commissioner may publish and circulate bulletins, call and attend meetings and conventions, and conduct educational programs relating to noxious weeds and plant pests. [18.181]

## Sec. 21. [18.895] [NOXIOUS WEED QUARANTINES.]

Subdivision 1. [COOPERATION WITH UNIVERSITY.] The commissioner shall cooperate with the dean of the institute of agriculture of the University of Minnesota in the study of life habits and eradication methods of noxious weeds and plant pests, including research and methods that minimize adverse environmental impact. [18.281]

Subd. 2. [PUBLICATION OF WEED AND PLANT PEST INFORMATION.] The commissioner shall publish information on life habits and eradication of noxious weeds and plant pests that minimize adverse environmental impact which will be in the public interest and of value to the agricultural communities of the state. [18.281]

Subd. 3. [QUARANTINE PERSONNEL AND EQUIPMENT.] The commissioner may employ personnel and purchase equipment and supplies necessary to implement this section. [18.281]

Subd. 4. [QUARANTINE OF WEED AND PLANT PEST INFESTED AREAS.] If the commissioner determines there is an infestation of noxious weeds or plant pests on a tract of land beyond the ability of the land occupant or owner to control, upon request of the owner or on the commissioner's own motion, the commissioner shall take action to prevent further spread of the weeds or plant pests. The commissioner may quarantine the portion of each infested tract of land and immediately take action to control the weeds and plant pests. [18.291]

Subd. 5. [MUST GIVE WRITTEN NOTICE.] The commissioner, on entering a tract of land for weed or plant pest control or quarantine under subdivision 4, shall give written notice to the owner of the entry and quarantine, and shall also give the owner written notice of the completion of the control action. [18.301]

Subd. 6. [GENERAL ALLOCATION OF EXPENSES.] The expenses of a noxious weed quarantine and control action, including cost of chemicals and other materials used, except machinery and other equipment, must be paid from the fund provided for this purpose. The fund must be reimbursed for the expenses by January 1 of each year in the following amounts:

- (1) 20 percent of the expenses by the county;
- (2) 10 percent of the amount by the town where the land is quarantined and on which control actions are taken; and
- (3) 10 percent of the expenses by the landowner. [18.311]

Subd. 7. [ALLOCATION OF EXPENSES FOR HIGHWAY CONTROL.] If the quarantine and control actions of the commissioner are located on the sides of public highways, 50 percent of the expenses of the control actions must be paid by the state from the fund provided for this purpose, and:

- (1) 50 percent from the funds provided for the maintenance of the state transportation department, if the infestation is on a state highway;
- (2) 50 percent by the county, if the infestation is on a county or state-aid road; and
- (3) 50 percent by the town, if the infestation is on a town road or cartway. [18.311]

Subd. 8. [ALLOCATION OF EXPENSES IN A MUNICIPALITY.] If the control actions of the commissioner are taken within the corporate limits of a municipality or on property used by a municipality, 50 percent of the expense of the control action must be paid by the state from the funds provided for this purpose and 50 percent by the municipality from its general revenue fund. [18.311]

## PENALTIES

### Sec. 22. [18.898] [CRIMINAL PENALTIES.]

Subdivision 1. [MISDEMEANOR.] A person is guilty of a misdemeanor who:

- (1) violates sections 2 to 21 or a rule of the commissioner;
- (2) fails, refuses, or neglects to comply with a notice served on the person and issued by the commissioner or a local weed and plant pest inspector;
- (3) fails, refuses, or neglects to perform a duty imposed by the noxious weed and plant pest law; [18.272]
- (4) enters property placed under quarantine by direction of the commissioner;
- (5) interferes with the operation of machinery or other equipment used by the commissioner or authorized agents implementing section 21, subdivision 4; or [18.312]
- (6) sells purple loosestrife, *Lythrum salicaria*. [18.182]

Subd. 2. [EXCLUSION FOR TOWN BOARD MEMBERS.] The penalty under subdivision 1 for failure, refusal, or neglect to perform a duty imposed by the noxious weed and plant pest law does not apply to a member of a town board for failure, refusal, or neglect to perform a duty imposed on a member of a town board as an inspector. [18.272]

## GRASSHOPPER CONTROL PROJECT

### Sec. 23. [GRASSHOPPER CONTROL ZONES.]

The commissioner of agriculture shall designate townships of counties that have had grasshopper surveys showing economic damage or potential economic damage as a grasshopper control zone where grasshoppers are a plant pest and control programs under sections 23 to 26 will be undertaken.

## Sec. 24. [GRASSHOPPER CONTROL PROGRAM.]

(a) The commissioner of agriculture shall develop and implement a grasshopper control program to prevent crop damage in the grasshopper control zone. After consultation and cooperation with the state entomologist, the program must be developed to minimize adverse environmental impact, including the selection of pesticides and prescription of application rates.

(b) The grasshopper control program must utilize proven methods of grasshopper control and the commissioner may make grants for experimental methods of control in selected areas.

## Sec. 25. [COST-SHARE.]

Subdivision 1. [ELIGIBILITY.] Private landowners are eligible for a 50 percent cost-share reimbursement for grasshopper control methods approved by the commissioner that are used on areas within the grasshopper control zone.

Subd. 2. [INSPECTION.] A county agricultural inspector or a local weed and plant pest inspector shall inspect the property where the grasshopper control is to occur and approve the control method to be used.

Subd. 3. [REIMBURSEMENT.] (a) An eligible private landowner may receive reimbursement for grasshopper control costs by presenting to the local weed and plant pest inspector:

(1) an inspection statement that the property was inspected prior to the control method being used; and

(2) approval by the local weed and plant pest inspector that an approved method was used.

(b) The local weed and plant pest inspector shall forward the reimbursement request to the county treasurer for payment.

(c) The county treasurer shall pay the reimbursement requests received from the local weed and plant pest inspectors.

Subd. 4. [PAYMENTS TO COUNTIES FOR COST-SHARE.] The commissioner of agriculture shall make payments to counties to pay for the cost-share payments under subdivision 3. The commissioner shall make funds available in advance based on anticipated need to allow reimbursement payments to be made as quickly as possible.

Subd. 5. [ADMINISTRATION.] (a) The commissioner of agriculture shall adopt procedures, guidelines, and forms to implement the grasshopper control cost-share program under this section. The

procedures, guidelines, and forms may be adopted notwithstanding chapter 14, except section 14.38, subdivisions 7 and 8, must be complied with.

(b) The commissioner of agriculture may require accounting procedures and reports to implement the program.

Sec. 26. [EXPERIMENTAL GRASSHOPPER CONTROL.]

Subdivision 1. [AUTHORIZATION.] The commissioner of agriculture may designate certain areas or types of controls for an experimental control program for methods that are not commonly used in the state or have not been proven to be effective.

Subd. 2. [ELIGIBLE PARTICIPANTS.] Public and private entities willing to participate in the experimental grasshopper control program may not be required to pay more than 20 percent of the cost of the experimental control methods on property they are responsible for controlling.

Subd. 3. [ADMINISTRATION.] The commissioner shall develop the experimental grasshopper control program and may adopt rules, guidelines, and procedures notwithstanding chapter 14 to implement the program, except the commissioner must comply with section 14.38, subdivisions 7 and 8.

Sec. 27. Minnesota Statutes 1988, section 84.0895, subdivision 2, is amended to read:

Subd. 2. [APPLICATION.] (a) Subdivision 1 does not apply to:

(1) plants on land classified for property tax purposes as class 2a or 2c agricultural land under section 273.13, or on ditches and roadways; and

(2) noxious weeds designated pursuant to ~~sections 18.171 to 18.315~~ section 3, subdivision 6, or to weeds otherwise designated as troublesome by the department of agriculture.

(b) If control of noxious weeds is necessary, it takes priority over the protection of endangered plant species, as long as a reasonable effort is taken to preserve the endangered plant species first.

(c) The taking or killing of an endangered plant species on land adjacent to class 3 or 3b agricultural land as a result of the application of pesticides or other agricultural chemical on the class 3 or 3b land is not a violation of subdivision 1, if reasonable care is taken in the application of the pesticide or other chemical to avoid impact on adjacent lands. For the purpose of this paragraph, class 3 or 3b agricultural land does not include timber land, waste land, or

other land for which the owner receives a state paid wetlands or native prairie tax credit.

(d) The accidental taking of an endangered plant, where the existence of the plant is not known at the time of the taking, is not a violation of subdivision 1.

Sec. 28. Minnesota Statutes 1988, section 160.02, subdivision 14, is amended to read:

Subd. 14. [NOXIOUS WEEDS.] "Noxious weeds" has the meaning given in section 18.171 3, subdivision 5 6.

Sec. 29. [APPROPRIATION.]

\$ . . . . . is appropriated from the general fund to the commissioner of agriculture for grasshopper control under sections 23 to 26 to be available until June 30, 1991. Of this amount, not more than \$ . . . . . may be used for experimental grasshopper control under section 26.

Sec. 30. [REPEALER.]

Subdivision 1. [GRASSHOPPER CONTROL PROGRAM.] Sections 23 to 26 are repealed June 30, 1991.

Subd. 2. [1905 GRASSHOPPER PROVISIONS.] Revised Laws of Minnesota 1905, sections 2385, 2386, 2387, 2388, 2389, and 2390, are repealed.

Subd. 3. [WEED LAWS.] Minnesota Statutes 1988, sections 18.171; 18.181; 18.182; 18.191; 18.201; 18.211; 18.221; 18.231; 18.241; 18.251; 18.261; 18.271; 18.272; 18.281; 18.291; 18.301; 18.311; 18.312; and 18.315, are repealed.

Sec. 31. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 528, A bill for an act relating to liquor; license eligibility; places and times of sale; sampling; amending Minnesota Statutes

1988, sections 340A.402; 340A.405, subdivision 1; 340A.504, subdivisions 2 and 4; and 340A.510.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 340A.402, is amended to read:

340A.402 [PERSONS ELIGIBLE.]

No retail license may be issued to:

- (1) a person not a citizen of the United States or a resident alien;
- (2) a person under 21 years of age;
- (3) a person who within five years of the license application has been convicted of a willful violation of a federal or state law or local ordinance governing the manufacture, sale, distribution, or possession for sale or distribution, of intoxicating or nonintoxicating malt liquors;
- (4) a person who has had an intoxicating liquor or nonintoxicating liquor license revoked within five years of the license application, or to any person who at the time of the violation owns any interest, whether as a holder of more than five percent of the capital stock of a corporation licensee, as a partner or otherwise, in the premises or in the business conducted thereon, or to a corporation, partnership, association, enterprise, business, or firm in which any such person is in any manner interested; or
- (5) (4) a person not of good moral character and repute.

In addition, no new retail license may be issued to, and the governing body of a municipality may refuse to renew the license of, a person who, within five years of the license application, has been convicted of a willful violation of a federal or state law or local ordinance governing the manufacture, sale, distribution, or possession for sale or distribution of an alcoholic beverage.

Sec. 2: Minnesota Statutes 1988, section 340A.405, subdivision 1, is amended to read:

Subdivision 1. [CITIES.] A city may issue with the approval of the commissioner, an off-sale intoxicating liquor license to an exclusive liquor store or to a drugstore. Cities of the first class may also issue an off-sale license to a general food store. A city of the first class may

issue an off-sale license to a general food store to which an off-sale license had been issued on the effective date of this section.

Sec. 3. Minnesota Statutes 1988, section 340A.504, subdivision 2, is amended to read:

Subd. 2. [INTOXICATING LIQUOR; ON-SALE.] No sale of intoxicating liquor for consumption on the licensed premises may be made:

(1) between 1:00 a.m. and 8:00 a.m. on the days of ~~Tuesday~~ Monday through Saturday;

(2) ~~between 12:00 midnight and 8:00 a.m. on Mondays~~;

(3) after 1:00 a.m. on Sundays, except as provided by subdivision 3;

(4) (3) between 8:00 p.m. on December 24 and 8:00 a.m. on December 25, except as provided by subdivision 3.

Sec. 4. Minnesota Statutes 1988, section 340A.504, subdivision 3, is amended to read:

Subd. 3. [INTOXICATING LIQUOR; SUNDAY SALES; ON-SALE.] (a) A restaurant, club, bowling center, or hotel with a seating capacity for at least 30 persons and which holds an on-sale intoxicating liquor license may sell intoxicating liquor for consumption on the premises in conjunction with the sale of food between the hours of 12:00 noon on Sundays and ~~12:00 midnight on Sundays~~ 1:00 a.m. on Mondays.

(b) The governing body of a municipality may after one public hearing by ordinance permit a restaurant, hotel, bowling center, or club to sell intoxicating liquor for consumption on the premises in conjunction with the sale of food between the hours of 10:00 a.m. on Sundays and ~~12:00 midnight on Sundays~~ 1:00 a.m. on Mondays, provided that the licensee is in conformance with the Minnesota clean air act.

(c) An establishment serving intoxicating liquor on Sundays must obtain a Sunday license. The license must be issued by the governing body of the municipality for a period of one year, and the fee for the license may not exceed \$200.

(d) A municipality may issue a Sunday intoxicating liquor license only if authorized to do so by the voters of the municipality voting on the question at a general or special election.

(e) An election conducted in a town on the question of the issuance by the county of Sunday sales licenses to establishments located in the town must be held on the day of the annual election of town officers.

(f) Voter approval is not required for licenses issued by the metropolitan airports commission or common carrier licenses issued by the commissioner. Common carriers serving intoxicating liquor on Sunday must obtain a Sunday license from the commissioner at an annual fee of \$50, plus \$5 for each duplicate.

Sec. 5. Minnesota Statutes 1988, section 340A.504, subdivision 4, is amended to read:

Subd. 4. [INTOXICATING LIQUOR; OFF-SALE.] No sale of intoxicating liquor may be made by an off-sale licensee:

(1) on Sundays;

(2) before 8:00 a.m. on Monday through Saturday;

(3) after 10:00 p.m. on Monday through Saturday at an establishment located in a city other than a city of the first class or within a city located within 15 miles of a city of the first class in the same county;

(4) after 8:00 p.m. on Monday through Thursday and after 10:00 p.m. on Friday and Saturday at an establishment located in a city of the first class or within a city located within 15 miles of a city of the first class in the same county, provided that an establishment may sell intoxicating liquor until 10:00 p.m. on December 31 and July 3, and on the day preceding Thanksgiving day, unless otherwise prohibited under clause (1);

(5) on New Years Day, January 1;

(6) on Independence Day, July 4;

(7) on Thanksgiving Day;

(8) (6) on Christmas Day, December 25; or

(9) (7) after 8:00 p.m. on Christmas Eve, December 24.

Sec. 6. Minnesota Statutes 1988, section 340A.510, is amended to read:

340A.510 [WINE SAMPLES.]

Off-sale licenses and municipal liquor stores may provide samples of malt liquor, wine, liqueurs, and cordials which the licensee or municipal liquor store currently has in stock and is offering for sale to the general public without obtaining an additional license, provided the wine, liqueur, and cordial samples are dispensed at no charge and consumed on the licensed premises during the permitted hours of off-sale in a quantity less than 100 milliliters of malt liquor per variety per customer, 50 milliliters of wine per variety per customer and 25 milliliters of liqueur or cordial per variety per customer.

Sec. 7. [OFF-SALE LICENSE; CANOSIA TOWNSHIP.]

Notwithstanding any other provision of law, the town board of Canosia township in St. Louis county may issue an off-sale intoxicating liquor license to an exclusive liquor store with the approval of the commissioner of public safety. A license under this section is governed by all provisions of Minnesota Statutes, chapter 340A, except as otherwise provided in this section.

Sec. 8. [REPEALER.]

Minnesota Statutes 1988, section 340A.412, subdivision 1, is repealed.

Sec. 9. [EFFECTIVE DATE.]

Section 5 is effective the day following final enactment. Section 7 is effective on approval by the Canosia town board and compliance with Minnesota Statutes, section 645.021."

Delete the title and insert:

"A bill for an act relating to liquor; clarifying license eligibility; changing the time of sale on certain holidays; allowing for the dispensing of samples of malt liquor; repealing bond requirement for retail licensees; authorizing the town board of Canosia township to issue an off-sale license; amending Minnesota Statutes 1988, sections 340A.402; 340A.405, subdivision 1; 340A.504, subdivisions 2, 3, and 4; and 340A.510; repealing Minnesota Statutes 1988, section 340A.412, subdivision 1."

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 534, A bill for an act relating to groundwater; establishing best management practices and water resources protection requirements; regulating pollution limits; changing various requirements and procedures concerning fertilizer, soil amendments, and plant amendments; requiring a study of sustainable agriculture; changing certain pesticide laws; requiring a pesticide management plan; providing for responses to pesticide and fertilizer incidents; establishing a safe drinking water account; imposing an annual fee; reorganizing and revising laws on water wells, exploratory boring, and elevator shafts; establishing a water information committee; providing for local water resources protection and management; establishing water appropriation priorities; establishing a legislative commission on water; appropriating money; amending Minnesota Statutes 1988, sections 17.713; 17.714, subdivisions 1, 3, 6, and by adding a subdivision; 17.715, subdivisions 1, 4, and by adding subdivisions; 17.7155; 17.716, subdivisions 1 and 2; 17.717; 17.718; 17.719, subdivisions 1, 2, 3, 4, and by adding subdivisions; 17.721, by adding a subdivision; 17.723; 17.725, subdivision 2, and by adding subdivisions; 17.728, by adding subdivisions; 17.7285; 17.73, subdivision 3; 18B.01, subdivisions 5, 12, 15, 19, 21, 23, 26, 30, 31, and by adding subdivisions; 18B.03, by adding a subdivision; 18B.04; 18B.07, subdivisions 2, 3, 4, 5, 6, and 7; 18B.08, subdivisions 1, 3, and 4; 18B.15; 18B.17, subdivision 2; 18B.18; 18B.20, by adding a subdivision; 18B.21; 18B.26, subdivisions 1, 3, 5, and by adding a subdivision; 18B.31, subdivisions 3 and 5; 18B.32, subdivision 2; 18B.33, subdivisions 1, 3, and 7; 18B.34, subdivisions 1, 2, and 5; 18B.36; 18B.37, subdivisions 1, 2, 3, and 4; 105.41, subdivision 1a; 105.418; 115.093, subdivision 5; 116C.40, by adding subdivisions; 116C.41, subdivision 1; 116E.03, subdivision 9; 156A.01; 156A.02; 156A.03; 156A.05; 156A.06; 156A.071; 156A.075; 156A.08; and 326.37; proposing coding for new law as Minnesota Statutes, chapters 110C and 115D; proposing coding for new law in Minnesota Statutes, chapters 3; 17; 18B; 105; 115; 116C; 116E; 144; and 156A; repealing Minnesota Statutes 1988, sections 17.714, subdivisions 4, 4a, and 4b; 17.721; 17.726; 17.727; 17.728, subdivisions 4 and 5; 17.729; 17.73, subdivision 5, paragraph (d); 18B.16; 18B.19; 18B.20, subdivision 6; 156A.02, subdivision 3; 156A.031; 156A.04; 156A.07; 156A.10; and 156A.11.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Agriculture.

The report was adopted.

Otis from the Committee on Economic Development to which was referred:

H. F. No. 540, A bill for an act relating to community development; providing for a community resources program for cities of the first

class; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 466A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [466A.01] [DEFINITIONS.]

Subdivision 1. [SCOPE.] The definitions in this section apply to sections 1 to 6.

Subd. 2. [ASSISTED HOUSING.] "Assisted housing" means any property used for residential housing that is:

(1) either owned or is under the direct management and control of a housing agency, and is used in a manner authorized and contemplated by sections 469.001 to 469.047;

(2) defined as emergency shelter under section 272.02, clause (12);

(3) transitional housing as defined in section 272.02, clause (19);

(4) classified as class 4c property under section 273.13, subdivision 25, paragraph (c), clause (4);

(5) a qualified low income building that (i) receives a low-income housing credit under section 42 of the Internal Revenue Code of 1986, as amended through December 31, 1987; or (ii) meets the requirements of that section and construction or rehabilitation of which began prior to May 1, 1988; or

(6) otherwise owned or operated by a governmental unit or nonprofit organization.

Subd. 3. [CITY.] "City" means a city of the first class as defined in section 410.01.

Subd. 4. [CITY COUNCIL.] "City council" means the city council of a city as defined in subdivision 3.

Subd. 5. [COMMISSIONER.] "Commissioner" means the commissioner of state planning.

Subd. 6. [COMMUNITY.] "Community" means all or part of a targeted neighborhood.

Subd. 7. [COMMUNITY RESOURCE MONEY.] "Community resource money" means the money designated in the community

resources program to be used to implement the community resource program.

Subd. 8. [COMMUNITY RESOURCES PROGRAM.] "Community resources program" or "program" means a community resources program adopted according to section 3.

Subd. 9. [COMMUNITY RESOURCES SERVICES.] "Community resources services" means programs, activities, and services intended to meet the objectives stated in section 3, subdivision 2. Programs, activities, and services may include:

(1) community planning and organizing efforts;

(2) employment and training services programs defined in section 256.736, subdivision 1a, clause (d);

(3) services to residents of assisted housing;

(4) services to stabilize neighborhoods; or

(5) services to families and individuals intended to stabilize families and individuals or provide assistance for family needs including services to improve the educational achievement and development of minor family members;

(6) child care services;

(7) personal and family counseling;

(8) health services;

(9) parenting skills;

(10) chemical dependency, counseling and treatment services;

(11) crime prevention services;

(12) services for victims of crime;

(13) security services for assisted housing;

(14) independent living services;

(15) residential safe houses for teenage youth;

(16) recreational alternatives for youth;

(17) programs to facilitate cultural identity and cross cultural understanding; and

(18) efforts to facilitate the deconcentration of residential facilities licensed by the departments of health, human services, and corrections.

Subd. 10. [COUNTY BOARD.] "County board" means the board of county commissioners of a county containing a city.

Subd. 11. [SCHOOL BOARD.] "School board" means the school board of an independent school district or special school district having a student enrollment of 10,500 or more located wholly or partially within a city.

Subd. 12. [TARGETED NEIGHBORHOOD.] "Targeted neighborhood" means an area including one or more census tracts as determined and measured by the Bureau of Census of the United States Department of Commerce that a city council determines by resolution meets the criteria of section 2, subdivision 2, and any additional area designated under section 2.

Sec. 2. [466A.02] [DESIGNATION OF TARGETED NEIGHBORHOODS.]

Subdivision 1. [CITY AUTHORITY.] A city may by resolution designate targeted neighborhoods within its borders after adopting detailed findings that the designated neighborhoods meet the eligibility requirements in subdivision 2 or 3.

Subd. 2. [ELIGIBILITY REQUIREMENTS FOR TARGETED NEIGHBORHOODS.] An area within a city is eligible for designation as a targeted neighborhood if the area meets at least two of the following three criteria:

(a) The area had an unemployment rate that was twice the unemployment rate for the Minneapolis and Saint Paul standard metropolitan statistical area as determined by the 1980 federal decennial census.

(b) The median household income in the area was no more than half the median household income for the Minneapolis and Saint Paul standard metropolitan statistical area as determined by the 1980 federal decennial census.

(c) The area is characterized by residential dwelling units in need of substantial rehabilitation. An area qualifies under this clause if 25 percent or more of the residential dwelling units are in substandard condition as determined by the city or 70 percent or more of the

residential dwelling units in the area were built before 1940 as determined by the 1980 federal decennial census.

Subd. 3. [ADDITIONAL AREA ELIGIBLE FOR INCLUSION IN TARGETED NEIGHBORHOOD.] (a) The city may add to the area designated as a targeted neighborhood under subdivision 2 additional area extending up to four contiguous city blocks in all directions from the designated targeted neighborhood. For the purpose of this subdivision, "city block" has the meaning determined by the city.

(b) The city may add to the area designated as a targeted neighborhood under subdivision 2 an additional area in a contiguous census tract to the targeted neighborhood provided that the city council first finds that the additional area meets at least two of the three criteria of subdivision 2.

Sec. 3. [466A.03] [COMMUNITY RESOURCES PROGRAM.]

Subdivision 1. [COMMUNITY RESOURCES PROGRAM; REQUIREMENT.] A city must prepare an annual comprehensive community resources program that is consistent with the recommendations of targeted neighborhood residents and organizations serving or representing these residents. The program must describe the specific community resource services and means by which the community intends to pursue and implement the program objectives outlined in subdivision 2 for each targeted neighborhood served under the program.

Subd. 2. [COMMUNITY RESOURCES PROGRAM OBJECTIVES.] A community resources program must address the following objectives:

(a) Establish means for stabilizing families so family members can become more functional as a family unit and as members of the community. This objective addresses family stabilization by insuring that children attend and adequately participate in schools providing elementary and secondary education, strengthening the family unit through counseling and other services, and increasing the family unit's health through nutrition, parenting skills, health assessment, drug abuse programs, and other services.

(b) Provide opportunities for families and individuals that lead to greater self-sufficiency through improved housing, health, environment, education, job training, employment, and independent living.

(c) Establish the community as a safer environment by finding the means to reduce crime and the fear of crime in the community and other parts of the city.

(d) Establish means to stabilize the neighborhood or community by building the capacity of the community's neighborhood-based organizations and institutions to build cohesiveness through planning and organizing residents, to provide or ensure the provision of necessary services, and to meet the other program objectives.

**Subd. 3. [COMMUNITY RESOURCES PROGRAM; CONTENTS.]**

(a) The community resources program must include the following information:

(1) the means to identify families and individuals who need community resources services so that the program objectives identified in subdivision 2 can be met;

(2) the specific activities, programs, or means by which the city intends to pursue and implement the objectives in subdivision 2;

(3) a statement of the intended outcomes to be achieved by implementing the community resources program;

(4) the method to measure the outcomes to be achieved by implementing the community resources program, how the outcomes will be measured both qualitatively and quantitatively, and the estimated time over which they will occur;

(5) identification of the targeted neighborhoods, assisted housing, and other parts of the city that will receive community resources services;

(6) a detailed statement of how the community resources services will be coordinated with similar services being offered by the city, county, school district, state, and other providers;

(7) a description of the process used and the staff services provided to ensure the required community or neighborhood participation in the preparation of the program; and

(8) a budget that identifies the financial resources necessary to implement the community resources program. The budget must include the following items: (i) the estimated total cost to implement the community resources program; (ii) the estimated cost to implement each activity in the community resources program identified in clause (2); and (iii) the estimated amount of financial resources that will be available from all sources other than from the appropriation available under section 7 to implement the community resources program, including the amount of private funding to be made available to assist in funding the community resources program.

(b) The information required to be in the program under this

subdivision must be specific to a targeted neighborhood to the greatest extent possible. If information is not specific to a targeted neighborhood that is to receive assistance under the program, the program must include a statement explaining the reason.

Subd. 4. [COMMUNITY PARTICIPATION.] (a) Each city must adopt a process to involve the residents of targeted neighborhoods and assisted housing in planning, developing, and implementing the program. As part of this process, the city must ensure that this community-based process has sufficient resources to assist in the development of the program.

(b) Beginning with the program for 1991, each targeted neighborhood or group of targeted neighborhoods must have a strategic planning group whose members include residents of the targeted neighborhood, representatives of community resources service providers in the neighborhood, and representatives of institutions in the neighborhood. The group must, as part of its responsibilities, develop a strategic plan for the neighborhood. This strategic plan must include the elements that the planning group recommends as part of the community resources program. The strategic plan must also address how the targeted neighborhood portions of the comprehensive revitalization and financing program will be integrated with the elements that are recommended to be included as part of the community resources program.

(c) The city must ensure that the strategic planning group required under paragraph (b) is established. An existing group or organization that reflects the required membership under paragraph (b) may be designated as the strategic planning group. The city may provide financial and staff resources to ensure the establishment of the strategic planning groups. The city may use part of the money received for the community resources program from the state to assist in the establishment of the targeted neighborhood strategic planning groups.

(d) As part of the process for the development of the community resources plan, each targeted neighborhood strategic planning group must submit recommendations for the community resources program to the city and the advisory board established under subdivision 5. The recommendations must include the specific neighborhood services and other means to meet the objectives outlined in subdivision 2.

Subd. 5. [COMMUNITY RESOURCES PROGRAM ADVISORY BOARD.] Each city must establish a community resources program advisory board to assist the city in developing and implementing the community resources program. The advisory board must consist of at least two representatives of the city council appointed by the city council, one or more representatives of the county board appointed by the county board, one or more representatives of the school board

appointed by the school board, and representatives of the targeted neighborhoods. The representatives of the targeted neighborhoods must represent a majority of the membership of the advisory board and reflect the geographic, cultural, racial, and ethnic diversity of the targeted neighborhoods. The city may determine the size of the advisory board and may designate an existing entity as the advisory board if the entity meets the membership requirements outlined in this subdivision.

Subd. 6. [DEVELOPMENT OF COMMUNITY RESOURCES PROGRAM.] (a) The advisory board must work closely with city staff in developing and drafting the community resources program. The advisory board must be involved in assessing needs, prioritizing funds, and developing criteria for evaluating program proposals. In developing the program, the advisory board must give priority to the recommendations made by the targeted neighborhood strategic planning groups. In addition, the community resources program must give priority to proposals or recommendations which (i) will create jobs for targeted neighborhood residents at living wages, and (ii) document efforts to create and maintain jobs for targeted neighborhood residents.

(b) The advisory board must conduct a public hearing and secure input from residents of targeted neighborhoods, governmental units affected by the program, and other organizations and persons.

(c) The advisory board may make any changes to the program resulting from testimony given at the public hearing. The advisory board must formally recommend to the city council a proposed community resources program.

(d) The advisory board will meet quarterly after recommending the program to the city council to monitor and review the programs, initiatives, and other activities that have been funded with community resource money.

Subd. 7. [REVIEW BY AFFECTED GOVERNMENTAL UNITS.] The city must develop a process to consult with affected governmental units including the state, county, and school districts. These affected governmental units may provide technical and informational assistance to the city and advisory board to ensure that the community resources services that are included in the program are coordinated with services provided by other governmental units and do not unnecessarily duplicate any existing services. The process must also include a comment period for the county board, school board, and commissioner to review a draft program and to provide comments to the city. If the county board, school board, or commissioner have comments, they must respond to the city in writing within 30 days. The city must respond to comments received from the county board and school board in writing before the city adopts the program.

Subd. 8. [CITY APPROVAL.] The city council must hold a public hearing before submitting the program to the commissioner for approval. Notice of the hearing must be provided in a newspaper of general circulation in the city and in the targeted neighborhood not less than ten days nor more than 30 days before the date of the hearing. In addition, to the maximum extent possible, notice shall be published in the most widely circulated community newspaper in the targeted neighborhoods.

Subd. 9. [REVIEW AND APPROVAL BY COMMISSIONER.] (a) Before the city adopts a community resources program, the commissioner must approve the program.

(b) The commissioner must establish an advisory panel to assist the commissioner in reviewing the programs. The panel must consist of the commissioner; the commissioners of human services, health, jobs and training, Minnesota housing finance agency, and public safety; one representative of each of the cities that have submitted a program appointed by the appropriate city council; and two members of the public appointed by the commissioner.

(c) The advisory panel must review each city's community resources program to determine if the process, including any information required to be in the program objectives, meets the requirements of subdivisions 4 to 8. The panel will also review the program to insure that there is not unnecessary duplication of services already provided in the targeted neighborhood.

(d) The commissioner must notify the city in writing within 30 days after receiving the program of a preliminary decision on the approval of the program and any recommendations of the commissioner for modification of the program. The commissioner must specify in writing the reasons for each recommendation for modification of the program. If the commissioner has no recommendations for the program's modification, the commissioner must approve the program. The commissioner may not disapprove any part of the program unless the commissioner determines that (1) the process, including any information required to be in the program, by which that part of the program was developed, does not meet the requirements of subdivisions 4 to 8, (2) the program is inconsistent with program objectives, or (3) the program results in unnecessary duplication of services already provided in the targeted neighborhood. If modifications to the program are recommended by the commissioner, the city must modify the program and resubmit it to the commissioner within 30 days for approval.

(e) If the city does not accept all of the commissioner's recommendations, the city must notify the commissioner in writing within 15 days after receiving the commissioner's recommendations. The city must specify in writing the reasons for not accepting the commissioner's recommendations.

(f) The commissioner must notify the city, within ten days after receiving the city's decision, of the commissioner's approval or disapproval of specific programs, projects, or elements of the program. State funding may only be released to the city for those programs, projects, or elements given final approval by the commissioner.

Subd. 10. [PROGRAM CERTIFICATION.] The city council may only adopt those programs, projects, or elements of the community resources program that the commissioner has approved. A certification by the city that a community resources program has been approved by the city council must be provided to the commissioner together with a copy of the program. A copy of the program must also be provided to the county board and school board.

Subd. 11. [COMMUNITY RESOURCES PROGRAM MODIFICATION.] The community resources program may be modified at any time by the city council after review by the community resources advisory board and a public hearing. Notice of the public hearing must be published in a newspaper of general circulation in the city not less than ten days nor more than 30 days before the date of the hearing. In addition, to the maximum extent possible, notice shall be published in the most widely circulated community newspaper in the targeted neighborhoods. If the city council or advisory board determines that the proposed modification is a significant modification to the program originally certified under subdivision 10, it must implement the community resources program approval and certification process of subdivisions 5 to 10 for the proposed modification.

Sec. 4. [466A.04] [CITY POWERS.]

Subdivision 1. [GENERAL POWERS.] A city may exercise any of its corporate powers in implementing the community resources program.

Subd. 2. [GRANTS AND LOANS.] In addition to the authority granted by other law, a city, through a request for proposal process, may make grants, loans, and other forms of assistance to, and enter into service contracts with, individuals, for profit and nonprofit corporations, and other organizations to implement a community resources program. The contracts entered into by the city under this subdivision must contain terms concerning use of money, repayment, and other conditions the city deems proper to implement a community resources program.

Subd. 3. [COMMUNITY INITIATIVES PROGRAM.] A city may establish a community initiatives program as part of the community resources program. At least ten percent of the community resource money must be distributed to organizations under the community initiatives program. A community initiatives program, in addition to the authority granted by other law, authorizes a city to set aside

funds and to develop a process to request proposals for the purpose of making grants, loans, and other forms of assistance to, or entering into service contracts with, nonprofit organizations, including neighborhood organizations, representing community residents. The organizations may also represent residents from a contiguous neighborhood. Financial assistance or service contracts awarded under this subdivision are limited to \$25,000 to any one organization in any one year. State money used for the community initiatives program must be used for implementing activities included in the community resources program. The contracts entered into by the city with a nonprofit organization under this subdivision must contain terms concerning use of money and other conditions the city deems proper to implement a community initiatives program.

Subd. 4. [ELIGIBLE USES FOR COMMUNITY RESOURCE MONEY.] The city may spend community resource money for any purpose authorized by subdivisions 1 to 3 except that an amount equal to at least 90 percent of the state payment according to section 5 made available to the city must be spent in or for residents in targeted neighborhoods or assisted housing. Use of community resources money must be authorized in a community resources program. If a resident of a targeted neighborhood or assisted housing is a recipient of community resource services and moves to a residence in (i) another part of the city, (ii) another location in the same county, or (iii) a location in an adjacent county located in the state, eligibility continues for the community resources services.

Sec. 5. [466A.05] [PAYMENT; DRAWDOWN; USES OF STATE MONEY.]

Subdivision 1. [PAYMENT OF STATE MONEY.] Upon receiving from a city the certification that a community resources program has been adopted or modified, the commissioner shall, within 30 days after receiving the certification, pay to the city the amount of state money identified as necessary to implement the community resources program or program modification. State money may be paid to the city only to the extent that the appropriation limit for the city specified in subdivision 2 is not exceeded. Once the state money has been paid to the city, it becomes community resource money for use by the city according to an adopted community resources program and subject to the restrictions on its use in sections 1 to 6.

Subd. 2. [ALLOCATION.] A city may receive a part of the appropriations made available that is the proportion that the population of the city bears to the combined population of the cities. A city may agree to reduce its entitlement amount and to make it available to another city. The population of each city for the purposes of this subdivision is determined according to the most recent estimates available to the commissioner.

Sec. 6. [466A.06] [ANNUAL REPORT.]

A city that begins to implement a community resources program in a calendar year must, by March 1 of the succeeding calendar year, provide a detailed report to the commissioner and legislature on the community resources program or programs being implemented in the city. The report must describe the status of the program implementation and analyze whether the intended outcomes identified in section 3, subdivision 3, paragraph (a), clause (3), are being achieved.

Sec. 7. [APPROPRIATION; DISTRIBUTION.]

\$ . . . . . is appropriated from the general fund for the biennium ending June 30, 1991, to the commissioner of state planning for payment to the cities as provided in section 5. \$ . . . . . is for fiscal year 1990 and \$ . . . . . is for fiscal year 1991.

Sec. 8. [EFFECTIVE DATE.]

Sections 1 to 6 are effective the day after final enactment."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Health and Human Services.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 611, A bill for an act relating to insurance; regulating agent licensing; regulating Medicare supplement plans; modifying required levels of coverages; prescribing penalties; amending Minnesota Statutes 1988, sections 60A.17, subdivision 6c, and by adding a subdivision; 62A.31, subdivisions 1 and 2; 62A.41; 62D.104; 62D.121, subdivision 3; 62D.181, subdivision 4; 62E.07; and 62E.14, subdivision 4; proposing coding for new law in Minnesota Statutes, chapter 62A; repealing Minnesota Statutes 1988, sections 62A.32; 62A.33; 62A.34; 62A.35; and Minnesota Rules, part 2795.0900.

Reported the same back with the following amendments:

Page 8, line 2, after the period insert "The commissioner may grant a waiver of this restriction on commissions when the commissioner believes that the insurer's fee structure does not encourage deceptive practices."

With the recommendation that when so amended the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 625, A bill for an act relating to education; expanding the milk in the schools program; appropriating money; amending Minnesota Statutes 1988, section 124.648.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Otis from the Committee on Economic Development to which was referred:

H. F. No. 631, A bill for an act relating to economic development; requiring a job impact statement of certain government units; providing prefeasibility study grants; requiring the legislative auditor to study economic development and training programs; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 268.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

#### "ARTICLE 1

#### JOB IMPACT STATEMENT AND PREFEASIBILITY STUDY

##### Section 1. [PURPOSE.]

A public financing role in economic development is justified for two reasons: to create or retain jobs, and to increase the tax base. Therefore it is important to support development that provides employment growth and good wages and benefits, and to encourage and support labor market stability and long-term business presence in communities. It is also important to communities and their residents to protect existing jobs and assure that actions taken by employers and government units do not lead to the temporary or permanent displacement of existing jobs through plant closings or dislocation. The purpose of the jobs impact statement is to require government units that plan to provide financial assistance for new commercial or industrial development, or plan to undertake the development themselves, to examine the potential effects of the development and to discuss them publicly. It is also important to monitor development to ensure public accountability by measuring how accurate the information from the job impact statement proved to be.

## Sec. 2. [268.452] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] For the purposes of sections 2 to 5, the following terms have the meanings given them.

Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of jobs and training.

Subd. 3. [DEVELOPMENT.] "Development" means a multiunit rental property, or commercial or industrial project that in some way benefits from a governmental action or a project developed by a government unit, which will result or could potentially result in the displacement of jobs or which the parties involved claim to retain jobs or increase the number of jobs.

Subd. 4. [DISPLACEMENT.] "Displacement" means the loss of employment by an individual resulting from a governmental action. An individual is not displaced if the employment loss at the site is the result of the relocation or consolidation of part or all of the employer's operations, and prior to the closing the government unit documents that: (1) the employer offers to transfer the individual to a different site of employment within a reasonable commuting distance, or (2) the employer's operations are relocated to a site within a reasonable commuting distance.

Subd. 5. [GOVERNMENTAL ACTION.] "Governmental action" means an effort made by a government unit to undertake, encourage, or promote development; or significantly restructure the administration or delivery of government services which could potentially result in a loss of jobs. These efforts include, but are not limited to, developments financed or administered directly by a government unit; a reduction in property taxes to encourage the development and financial assistance through loans, loan guarantees, interest subsidies, tax increment financing, tax-exempt financing, grants, or other financing tools utilized by a government unit to encourage development.

Subd. 6. [GOVERNMENT UNIT.] "Government unit" means any state agency defined in section 16A.011, subdivision 2, the greater Minnesota corporation, metropolitan agency defined in section 473.121, subdivision 5a, University of Minnesota, statutory or home rule charter city, county, town, watershed district organized under chapter 112, or local economic development agency. Local economic development agencies include all entities or agencies authorized, organized, or created under chapter 469; and all port authorities created by special law.

Subd. 7. [JOB IMPACT STATEMENT; STATEMENT.] "Job impact statement" or "statement" means the detailed job impact statement required under section 3.

Subd. 8. [RETAIN.] "Retain" means that without the governmental action, the job could not be continued.

Sec. 3. [268.453] [JOB IMPACT STATEMENT.]

Subdivision 1. [JOB IMPACT STATEMENT REQUIREMENT.]  
When it is determined by the government unit that a governmental action or development will result or could potentially result in the displacement of jobs or the parties involved in the development or governmental action claim it will retain or increase the number of jobs, the government unit that is responsible for the governmental action must prepare a job impact statement before initiating the governmental action. If the responsible government unit does not prepare a statement, a person, community group, labor organization, or other organization may appeal to the commissioner to require the responsible government unit to prepare a statement. The commissioner must determine within ten working days if a statement is required; and if a statement is required, the commissioner shall require the responsible government unit to prepare a statement. No job impact statement will be required if a government unit informs the commissioner that the governmental action under appeal is the result of a budgeting decision and the government unit has determined that the governmental action will not result in a significant restructuring of the administration or delivery of government services. When there is more than one government unit responsible for governmental actions affecting a specific development, the units involved must agree which unit is responsible for preparing the statement. This government unit may request information from all government units involved in the development.

Subd. 2. [JOB IMPACT STATEMENT CONTENTS.] (a) A job impact statement required under subdivision 1 must include the following information:

(1) number and types of permanent jobs that will be displaced, retained, or created as a result of the development;

(2) wage rates and benefits of the permanent jobs that will be displaced, retained, or created; and

(3) the total financial assistance provided by government units to the development.

(b) In addition to the information required under paragraph (a), the following information must be included in the job impact statement when there has been or potentially could be a displacement of jobs as a result of a governmental action or development:

(1) description of the demographic characteristics of the work force that could be displaced;

(2) description of skill levels and educational needs of the jobs that could be displaced;

(3) discussion of the likelihood of workers that may be displaced by the development of finding new jobs with comparable pay and benefits;

(4) past experience of parties involved in the development of meeting employment projections for other developments; and

(5) identification, if any, of alternatives to mitigate the job displacement due to the governmental action or development.

In preparing the information required under this subdivision, the commissioner must assist the government unit if so requested by the unit.

Subd. 3. [PUBLIC COMMENT.] The government unit must distribute the job impact statement to labor unions or other employee representatives that might be affected by the governmental action, community-based organizations that have expressed an interest in the development, and other persons or organizations that request a copy of the job impact statement. In addition, the job impact statement must be posted at the employment site where workers may be displaced as a result of the governmental action.

After the completion and distribution of the job impact statement, a public hearing must be held but only when the governmental action may or will result in the displacement of jobs. The appropriate governing board or senior official of the government unit must hold the public hearing on the completed statement prior to the government unit's approval of any development that receives or benefits from a governmental action. Notice of the public hearing must be provided in a newspaper of general circulation not less than ten days nor more than 30 days before the date of the hearing.

Subd. 4. [STATEMENT SUBMITTED TO COMMISSIONER; ANNUAL REPORT.] After the public meeting required under subdivision 3 and after any changes have been made as a result of testimony at the public hearing, the government unit must submit the statement to the commissioner. The commissioner must prepare and submit a report to the governor and legislature by February 1 of each year that compiles and summarizes the results of the individual statements and the monitoring reports required in section 5 submitted to the commissioner in the previous year. The annual report must also contain the commissioner's assessment of the overall process of preparing the statements and any recommendations the commissioner may have in improving the process.

If the statement finds that workers will be displaced or if the actual development or governmental action results in the displacement of existing workers, the government unit responsible for the governmental action must initiate and coordinate efforts with employers, developers, service providers, and other appropriate parties to attempt to secure necessary benefits for the displaced workers. The government unit must assess which of the following benefits are required by the displaced workers and must initiate and coordinate efforts to attempt to provide the required benefits. These benefits must include:

- (1) retraining and education expenses;
- (2) relocation expenses;
- (3) health insurance expenses;
- (4) supplemental unemployment insurance payments;
- (5) child care expenses when the displaced worker is enrolled in education or retraining; and
- (6) emergency expenses for shelter, clothing, and food.

The government unit must work with employment and training services providers, other government units, community organizations, labor organizations, and other organizations in efforts to administer and deliver these benefits. The government unit may contribute to but is not financially obligated for the benefits listed in clauses (1) to (6) and other benefits provided to dislocated workers under this section, but is obligated for the costs of the initiation and coordination responsibilities required of the government unit under this subdivision. The government unit may participate in providing these benefits.

Sec. 5. [268.455] [MONITORING.]

Each government unit must submit an annual report by February 1 of each year. The purpose of the report is to summarize all job impact statements completed during the previous year which will provide public accountability of governmental action. An explanation of any significant changes in actual employment and wage information compared to the jobs impact statement prepared for that development or governmental action in any of the three previous years must be included in the report.

Sec. 6. [268.461] [PURPOSE; PREFEASIBILITY STUDY GRANTS.]

Plant closings cause significant hardship in the communities in

which they occur. In some cases, the plant closings can be avoided when a new product is produced, a new owner is identified, state assistance is provided, or through employee ownership. Due to the short amount of time available and the lack of financial resources, the alternatives to plant closings cannot be fully explored. It is the purpose of the prefeasibility study grants to provide the financial resources for an initial assessment of the options to plant closings.

Sec. 7. [268.462] [DEFINITIONS.]

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 6 to 9.

Subd. 2. [COMMISSIONER.] "Commissioner" means the commissioner of jobs and training.

Subd. 3. [ELIGIBLE ORGANIZATION.] "Eligible organization" means a city, county, town, nonprofit organization, community action agency, or labor or business organization that has applied for a prefeasibility grant under section 8.

Subd. 4. [PREFEASIBILITY STUDY GRANT; GRANT.] "Prefeasibility study grant" or "grant" means the grant awarded under section 8.

Subd. 5. [PLANT CLOSING; CLOSING.] "Plant closing" or "closing" means the announced, threatened, or actual permanent termination of operations at a publicly or privately owned establishment or the announced, threatened, or actual permanent termination of 25 percent of the total jobs at the establishment.

Sec. 8. [268.463] [PREFEASIBILITY STUDIES.]

Subdivision 1. [PREFEASIBILITY STUDY GRANTS.] The commissioner may make grants for up to \$10,000 to eligible organizations to provide an initial assessment of the feasibility of alternatives to plant closings. The alternatives may include employee ownership, other new ownership, new product or production process, or public assistance to keep a plant open. Two or more eligible organizations may jointly apply for a grant under this section.

Interested organizations shall apply to the commissioner for the grants. Applicants shall provide as part of the application process a statement of need for a grant, information relating to the workforce at the plant, the area's unemployment rate, the community's and surrounding area's labor market characteristics, information of efforts to coordinate the community's response to the plant closing, a timetable of the prefeasibility study, a description of the organization applying for the grant, a description of the qualifications of

persons conducting the study, and other information required by the commissioner.

The commissioner shall respond to the applicant within five working days of receiving the organization's application. The commissioner must inform each organization that applied for but did not receive a grant the reasons for the grant not being awarded. The commissioner may request further information from those organizations that did not receive a grant, and the organization may reapply for the grant.

Subd. 2. [PREFEASIBILITY STUDY.] The prefeasibility study must explore the current and potential viability, profitability, and productivity of the establishment that may close and alternative uses for the establishment. The study is not to be a major examination of each possible alternative but is meant to quickly determine if further action or examination is possible or feasible. The prefeasibility study must contain:

(1) a description of the establishment's present products, production techniques, management structure, and history;

(2) a brief discussion of the feasibility of the various alternatives for ownership, production technique, and products;

(3) an estimate of the financing required to keep the establishment open and the potential sources of that financing;

(4) a description of the employer's, employees', and community's efforts to maintain the operation of the establishment;

(5) evidence of good faith efforts to demonstrate cooperation among labor, business, and affected community organizations to develop alternatives; and

(6) other information the commissioner may require.

Subd. 3. [RULEMAKING AUTHORITY.] The commissioner may adopt emergency or permanent rules subject to chapter 14 to carry out the purposes of this section.

Sec. 9. [268.464] [REPORTS.]

Subdivision 1. [MONTHLY REPORT.] The commissioner shall report monthly to the program subcommittee of the governor's job training council on the grants made and studies completed during the previous month.

Subd. 2. [ANNUAL REPORT.] The commissioner must provide an annual report to the governor, legislature, and the governor's job

training council on the administration of the prefeasibility study grant program. The report must also include details of actions taken as a result of a grant.

Sec. 10. [APPROPRIATION.]

Subdivision 1. [IMPACT STATEMENT.] \$ . . . . . is appropriated from the general fund for the biennium ending June 20, 1991, to the commissioner of jobs and training to prepare the job impact statement required under section 3.

Subd. 2. [PREFEASIBILITY STUDY GRANTS.] \$ . . . . . is appropriated from the general fund for the biennium ending June 20, 1991, to the commissioner of jobs and training for the prefeasibility study grants under section 8.

ARTICLE 2

COMMUNITY AND EMPLOYEE BENEFIT PAYMENTS AS A  
RESULT OF PLANT CLOSINGS

Section 1. [268.981] [DEFINITIONS.]

Subdivision 1. [TERMS.] For the purposes of sections 1 to 9, the following terms have the meanings given them.

Subd. 2. [ACQUISITION.] "Acquisition" means a transaction where a person assumes control of a business entity either by (1) acquiring through the purchase or transfer of the stock and assets of another business entity, or (2) merging with another business entity. Acquisition includes mergers, corporate takeovers, and leveraged buyouts.

Subd. 3. [AFFECTED EMPLOYEE.] "Affected employee" means a worker laid off by an employer because of a plant closing or mass layoff.

Subd. 4. [CITY.] "City" means a home rule charter or statutory city.

Subd. 5. [COMMISSIONER.] "Commissioner" means the commissioner of jobs and training.

Subd. 6. [COMMUNITY RESPONSE COMMITTEE.] "Community response committee" or "committee" is the community response committee established under section 2.

Subd. 7. [CONTROL.] "Control" means: (1) the ownership, direct, indirect, or by acting through one or more other persons, the control

of, or the power to vote 25 percent or more of, any class of voting securities; (2) control in any manner over the election of a majority of the directors; or (3) the power to exercise, directly or indirectly, a controlling influence over management and policies.

Subd. 8. [EMPLOYER.] "Employer" means the person who, as a result of a merger, leveraged buyout, corporate takeover, or other acquisition, owns or operates an establishment within this state where the employment is (1) 25 or more employees, excluding part-time employees, or (2) 25 or more employees who in the aggregate work at least 1,000 hours per week exclusive of hours of overtime. Employer does not include a unit of government or an organization that is exempt from taxation under section 501 of the Internal Revenue Code of 1986, as amended through December 31, 1988.

Subd. 9. [ESTABLISHMENT.] "Establishment" means a single site of employment or one or more facilities or operating units within a single site of employment owned by an employer.

Subd. 10. [MASS LAYOFF.] "Mass layoff" means a reduction in the work force at an establishment, within three years of an acquisition by an employer, that:

(1) is not the result of a plant closing; and

(2) results in an employment loss at the single site of employment or an establishment during any 30-day period for at least:

(i) 25 percent of the employees, excluding any part-time employees, and at least 25 employees, excluding any part-time employees; or

(ii) 50 employees, excluding any part-time employees.

Subd. 11. [PART-TIME EMPLOYEE.] "Part-time employee" means an employee who is employed for an average of fewer than 20 hours per week in the three months preceding the date of plant closing or mass layoff or an employee who has been employed for fewer than six of the 12 months preceding the date of the plant closing or mass layoff.

Subd. 12. [PERSON.] "Person" means a natural person, organization, sole proprietorship, public or private corporation, partnership, or other business entity.

Subd. 13. [PLANT CLOSING.] "Plant closing" means the shutdown or termination of operations of an establishment, within three years of an acquisition by an employer, if the shutdown results in an

employment loss at the single site of employment during any 30-day period for 25 or more employees excluding any part-time employees.

Subd. 14. [PUBLIC ASSISTANCE.] "Public assistance" means financial assistance provided to a person by the state, city, county, or town. Financial assistance includes loans, grants, interest subsidies, property acquisition writedowns, tax credits, tax abatements, interest cost savings from tax-exempt bonds and other securities issued on behalf of the employer, wage subsidies provided under this chapter, and utility connections paid by the public entity to the business entity.

Sec. 2. [268.982] [COMMUNITY RESPONSE COMMITTEE.]

A community response committee may be created in each community in which an employer has engaged in a plant closing or mass layoff. The committee must consist of at least 11 members and have representatives of the city or town in which the establishment is located, the appropriate county, employees that were laid off due to the plant closing or mass layoff, and recognized leaders of community groups in the area in which the establishment is located. When the establishment is located within the boundaries of a city, the mayor of that city shall appoint the members of the community response committee. When the establishment is located outside a city's boundaries, the committee shall be appointed by the governing body of the county in which the establishment is located. The committee may elect a chair and officers. Before funds made available under section 3 may be spent or distributed, a committee must be established and the commissioner must certify that the membership meets the requirements of this section.

The committee must:

(1) undertake a needs analysis of the community and the workers laid off because of the plant closing or mass layoff;

(2) distribute the funds made available under section 3 based on the needs analysis required under clause (1);

(3) determine the necessary eligibility criteria required under section 3, subdivisions 4 and 5, for the community service emergency grants and wage subsidies; and

(4) work closely with the commissioner and employment and training service providers in ensuring that services are made available to employees laid off because of a plant closing or mass layoff.

Sec. 3. [268.983] [COMMUNITY SUPPORT RESOURCES.]

Subdivision 1. [EMPLOYER FINANCIAL RESPONSIBILITIES.] An employer that engages in a plant closing or mass layoff within three years after an acquisition must pay the appropriate local unit of government an amount equal to ten percent of the total wages and salaries paid to affected employees of the establishment during the 12 months prior to the plant closing or mass layoff. The payment required under this subdivision is paid to the city when the establishment is located within the boundaries of a city and to the county when the establishment is located outside a city's boundaries. The payment must be made within two weeks of the date of the plant closing or mass layoff. The money collected under this subdivision may only be used for:

- (1) economic development planning grants under subdivision 3;
- (2) community service emergency grants under subdivision 4;
- (3) wage subsidies under subdivision 5; or
- (4) administrative cost reimbursement under subdivision 2.

Subd. 2. [FISCAL AGENT.] The city or county which receives the required payment from an employer under subdivision 1 must act as the fiscal agent for the money and only disburse the money for eligible uses outlined under this section at the direction of the community response committee established under section 2. The city or county shall provide administrative support to the committee. Up to five percent of the money received under subdivision 1 may be used to reimburse the city or county for the administrative support.

Subd. 3. [ECONOMIC DEVELOPMENT PLANNING GRANTS.] The community response committee may award economic development planning grants to government units or other public agencies, nonprofit organizations, for-profit organizations, or other persons to examine the short-term and long-term alternatives for strengthening the economy in the area surrounding the establishment that has experienced the plant closing or mass layoff. The committee shall award grants under this subdivision to public agencies, organizations, or persons that have the qualifications and experience for examining the alternatives. The examination of alternatives must address the following:

- (1) an estimate of the economic effect of the plant closing or mass layoff in terms of direct and indirect jobs lost and, if possible, the reduction in the area's income;
- (2) an estimate of the ability of other employers in the area to absorb in their work force the laid-off workers;

(3) an identification of area businesses that have the potential for expansion and the financial and other resources as well as the worker skills required of such an expansion;

(4) an identification of financial and other incentives that might be required to reopen the establishment under new ownership and management;

(5) a statement of whether the closed establishment can be reopened as an employee-owned establishment;

(6) identify the industries that might be candidates for expansion in the area and the incentives that might be required to encourage their development or location in the area; and

(7) identify the skills required by the laid-off workers to increase their chances of finding employment in the area or other regions of the state.

Subd. 4. [COMMUNITY SERVICE EMERGENCY GRANTS.] The community response committee may provide emergency grants to workers and their families directly affected by the plant closing or mass layoff. The emergency grants may be used for the immediate food, clothing, shelter, transportation, training, and relocation needs of these workers. The committee may contract with a local unit of government, other public agency, community action program, or a nonprofit organization to provide the emergency grants awarded under this subdivision. The committee or organization contracting with the committee shall coordinate their efforts with existing area providers of these emergency needs.

Subd. 5. [WAGE SUBSIDIES.] The community response committee may contract with a certified local service provider defined in section 268.673, subdivision 4a, to provide wage subsidies to workers laid off because of a plant closing or mass layoff. Wage subsidy money under this subdivision must be distributed in the same manner that wage subsidies are used under section 268.677. Wage subsidies under this subdivision must be given to businesses and other employers who have jobs available that offer potential for long-term employment. Business and other employers that receive wage subsidy payments under this subdivision are subject to section 268.681.

Sec. 4. [268.984] [SEVERANCE PAYMENT.]

Subdivision 1. [SEVERANCE PAYMENT.] Each employer owning or operating a facility engaged in a plant closing or mass layoff shall make a severance payment to an affected employee if the affected employee has been employed by the employer for three or more years. The payment may, at the option of the employer, be made

before or at the termination of the affected employee. The severance payment must be equal to the gross weekly wage of the affected employee at the time of termination, multiplied by the number of full and partial years for which the employee has been employed by the employer. For an affected employee whose gross weekly wage has been reduced within one year of a plant closing as a result of a reduction in the average weekly number of hours worked by the employee, the severance payment must be equal to the affected employee's gross weekly wage before the reduction in the average weekly number of hours worked, multiplied by the number of full and partial years for which the employee has been employed by the employer.

Subd. 2. [OTHER PAYMENTS.] Vacation pay, accrued wages, and other types of payments made for a reason other than compensation for termination of employment are not severance payments under subdivision 1.

Sec. 5. [268.985] [HEALTH CARE COVERAGE.]

Each employer who engages in a plant closing or mass layoff and who has had an employer-paid health insurance plan in place within the previous three-year period preceding the date of the plant closing or mass layoff shall pay to each affected employee an amount equal to 12 times the most recent monthly premium paid by the employer on behalf of the employee. The employer is not obligated to make this payment if the employer chooses to continue the health insurance plan for one year after the plant closing or mass layoff, with the employer paying at least the same portion of the premium that the employer paid before the employee was terminated. The employer shall also continue to make the health insurance plan available to each affected employee as required in section 62A.17 or in federal law.

Sec. 6. [268.986] [PRIORITY OF CLAIMS.]

To the extent not otherwise determined by federal law, a money claim on behalf of an affected employee against an employer engaged in a plant closing has priority over all other claims against an employer, except wage and salary claims.

Sec. 7. [268.987] [EMPLOYER APPEAL PROCESS.]

Subdivision 1. [APPEALS PANEL.] The governor shall appoint a seven-member appeals panel consisting of three members representing business interests, three members representing labor interests, and one member representing the general public who acts as chair. At least four of the members must have experience or knowledge of business financing or public accounting. The terms, compensation, expenses, vacancies, and removal of members are as provided in

section 15.0575. The commissioner of jobs and training must provide administrative support to the panel.

The employer may not cause a plant closing or mass layoff until the appeals board has rendered a decision on an appeal by the employer under subdivision 2 or 3. The panel must render its decision within 30 days of the appeal request by an employer. The 30-day limit may be extended if both the employer and the panel agrees to the extension.

The commissioner may contract with a public accounting firm or others to provide technical assistance to the panel. Members of the panel, the commissioner, or any of the persons the panel has contracted with must have access to all the employer's financial records and other related information for the past five years to assist in rendering a decision on an appeal made by an employer under subdivision 2 or 3.

Subd. 2. [APPEAL OF PAYMENT.] An employer may appeal to the appeals panel established under subdivision 1 to reduce or eliminate the payment required under section 3, the severance and health benefit payments required under sections 4 and 5, and the repayments of public assistance required under section 8. The employer must appeal under this subdivision at least 30 days before the date of the plant closing or mass layoff. The employer may appeal under this subdivision only if the employer determines that the plant closing or mass layoff is likely to be due to one or more of the following:

(1) a natural disaster including, but not limited to, a flood, damage or destruction due to weather, earthquakes, or drought;

(2) a decrease in sales of the employer resulting from economic or market factors that directly affect the demand for the products produced or provided at the establishment; or

(3) the plant closing or mass layoff was required to prevent the acquired business entity from becoming insolvent.

The employer must establish by a preponderance of the evidence that the plant closing or mass layoff was due to one of the reasons outlined in clause (1), (2), or (3), and not because of the financial needs of the employer to pay for debt incurred because of an acquisition or because of a reorganization or duplication of the operations of the employer.

Subd. 3. [APPEAL OF REPAYMENT OF PUBLIC ASSISTANCE.] The employer may appeal the amount of public assistance the employer must pay back under section 8. The panel must render its decision within 30 days of the appeals request of the employer.

The commissioner may contract with public accounting firms or others to provide technical assistance to the panel in determining the correct amount of the repayment.

Sec. 8. [268.988] [REPAYMENT OF PUBLIC ASSISTANCE.]

An employer who causes a plant closing or mass layoff shall pay back or reimburse an amount equal to the amount of public assistance which it or the acquired business entity has received in the past five-year period from a government unit. The amount of public assistance to be repaid under this section equals the sum of the following:

(1) the reduction in the employer's capital expenditures at the establishment as a result of the public assistance including, but not limited to, assistance in acquiring land, buildings, and equipment;

(2) the reduction of the employer's financing costs at the establishment including, but not limited to, savings in interest costs resulting from tax exempt financing;

(3) the reduction in the employer's taxes on the operations at the establishment; and

(4) the reduction in the employer's operating costs at the establishment as the result of other assistance besides tax reductions or abatements.

The amount of public assistance to be repaid that is calculated in clauses (1) to (4) must be adjusted to reflect any amounts that have been recaptured or the employer has been required to repay under the provisions of another law or contractual agreement. The public assistance required to be repaid under this section must be made to the government unit authorizing or enabling the employer to receive the public assistance, regardless of whether the cost or reduction in revenues was borne by another government unit. The employer may appeal the payment amount to the appeals panel established in section 7. The government unit that the public assistance is to be repaid to under this section may enter into an agreement with the recipient of public assistance for the repayment or reimbursement of the public assistance and the time of the repayment.

Sec. 9. [268.989] [NOTIFICATION OF INTENTIONS.]

An employer must provide notice to the commissioner of jobs and training and the home rule or statutory city or county, in which an establishment which the employer has acquired is located, of what the employer's intentions are relating to that specific establishment for the three-year period following the acquisition. The notice must

state that the employer plans to cause a plant closing or mass layoff at the establishment if, at the time of the acquisition, the employer has determined that these actions will take place in the three-year period following acquisition. The notice must be provided within two months of the date of acquisition.

Sec. 10. [APPROPRIATION.]

\$ . . . . . is appropriated from the general fund for the biennium ending June 30, 1991, to the commissioner of jobs and training for the appeals panel established under section 7.

Sec. 11. [EFFECTIVE DATE.]

Sections 1 to 10 are effective the day following final enactment."

Amend the title as follows:

Page 1, delete line 5

Page 1, line 6, delete "training programs;" and insert "employer who engages in a plant closing or mass layoff to pay community benefits, severance pay, and health benefits; establishing a community response committee; requiring repayment of certain financial assistance to businesses;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Local Government and Metropolitan Affairs.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 653, A bill for an act relating to waters and watercraft safety; changing certain registration fees; amending Minnesota Statutes 1988, section 361.03, subdivision 3.

Reported the same back with the following amendments:

Page 1, after line 5, insert:

"Section 1. Minnesota Statutes 1988, section 97A.055, is amended by adding a subdivision to read:

Subd. 3. [GAME AND FISH FUND FEES.] To reduce yearly fluctuations of the game and fish fund balance and to provide improved long-range planning of the fund, the policy of the state is

to make fee adjustments biennially as part of the budget process. Agency responsibilities are:

(a) The commissioner of natural resources must make specific requests for fee adjustments for all receipt items in the game and fish fund as a part of the biennial fee report.

(b) The commissioner of finance must review the biennial fee report and make recommendations for each fee. The commissioner of finance must submit a six-year projection on revenues and expenditures to be submitted to the legislature with the biennial budget.

Sec. 2. Minnesota Statutes 1988, section 97A.485, subdivision 6, is amended to read:

Subd. 6. [LICENSES TO BE SOLD AND ISSUING FEES.] (a) Persons authorized to sell licenses under this section must sell the following licenses for the license fee and the following issuing fees:

(1) to take deer or bear with firearms and by archery, the issuing fee is \$1;

(2) Minnesota sporting, the issuing fee is \$1; and

(3) to take small game, for a person under age 65 to take fish by angling or for a person of any age to take fish by spearing, and to trap fur-bearing animals, the issuing fee is \$1;

(4) for a trout and salmon stamp that is not issued simultaneously with an angling or sporting license, an issuing fee of 50 cents may be charged at the discretion of the authorized seller; and

(5) for stamps other than a trout and salmon stamp, there is no fee.

(b) An issuing fee may not be collected for issuance of a trout and salmon stamp if a stamp is issued simultaneously with the related angling or sporting license. Only one issuing fee may be collected when selling more than one trout and salmon stamp in the same transaction after the end of the season for which the stamp was issued.

(c) The auditor or subagent shall keep the issuing fee as a commission for selling the licenses.

(d) The commissioner shall collect the issuing fee on licenses sold by the commissioner.

(e) A license, except stamps, must state the amount of the issuing fee and that the issuing fee is kept by the seller as a commission for selling the licenses.

(f) The fee for an angling license paid by a resident 65 years of age or over must be refunded to the licensee upon request to the commissioner, if the request is made within 30 days of the sale. The commissioner shall design a system on the license for this purpose. The refund application must include a statement describing the purposes of the game and fish fund, the nature of federal matching funds, and a description of the effects of the loss of state and federal funds from the game and fish fund.

Sec. 3. Minnesota Statutes 1988, section 97A.485, subdivision 7, is amended to read:

Subd. 7. [COUNTY AUDITOR'S COMMISSION.] The county auditor shall retain for the county treasury a commission of four percent of all license fees collected by the auditor and the auditor's subagents, excluding the small game surcharge and issuing fees, and the license to take fish by angling for persons age 65 and over. In addition, the auditor shall collect the issuing fees on licenses sold by the auditor to a licensee.

Sec. 4. [1990 GAME AND FISH FUND FEE INCREASES.]

Fees accruing to the game and fish fund, except commercial fees, shall be increased ten percent rounded to the nearest 25 cents effective March 1, 1990. Commercial fees accruing to the game and fish fund shall be increased ten percent effective March 1, 1990.

Page 1, line 17, delete "less than" and after "feet" insert "or less"

Page 1, line 18, delete "16 feet or" and after "more" insert "than 16 feet"

Page 1, line 21, delete "\$36" and insert "\$40"

Page 1, line 23, delete "\$48" and insert "\$60"

Page 1, line 24, delete "\$60" and insert "\$80"

Page 2, after line 6, insert:

"Sec. 6. Minnesota Statutes 1988, section 361.03, is amended by adding a subdivision to read:

Subd. 3a. [WATERCRAFT SURCHARGE.] A surcharge of \$1 is placed on each watercraft licensed under subdivision 3, clauses (c) to (f). The money must be used for management of purple loosestrife and eurasian watermilfoil according to law.

Renumber the sections in sequence

Delete the title and insert:

"A bill for an act relating to waters and watercraft safety; changing certain registration fees; amending Minnesota Statutes 1988, sections 97A.055, by adding a subdivision; 97A.485, subdivisions 6 and 7; and 361.03, subdivision 3, and by adding a subdivision."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 680, A bill for an act relating to waters; appropriating money for stream maintenance.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 682, A bill for an act relating to appropriations; continuing funding for programs to control the spread of purple loosestrife; appropriating money.

Reported the same back with the following amendments:

Page 1, lines 10 and 16, delete "Lithrum" and insert "Lythrum"

Page 1, line 12, after the period insert "The complement of the department is increased by three positions."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 705, A bill for an act relating to human services; providing requirements for licensing under the human services licensing act; amending Minnesota Statutes 1988, sections 144A.01,

subdivision 5; 245.73, subdivisions 1 and 2; 245A.02, subdivisions 3, 9, 10, 14, and by adding a subdivision; 245A.03, subdivisions 1, 2, and 3; 245A.04, subdivisions 1, 3, 5, 6, 7, and by adding subdivisions; 245A.06, subdivisions 1, 5, and by adding a subdivision; 245A.07, subdivision 2; 245A.08, subdivision 5; 245A.12; 245A.13; 245A.14, subdivision 3; and 245A.16, subdivision 1.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 144A.01, subdivision 5, is amended to read:

Subd. 5. "Nursing home" means a facility or that part of a facility which provides nursing care to five or more persons. "Nursing home" does not include a facility or that part of a facility which is a hospital, a hospital with approved swing beds as defined in section 144.562, clinic, doctor's office, diagnostic or treatment center, or a residential facility program licensed pursuant to sections ~~245.781 to 245.821~~ 245A.01 to 245A.16 or 252.28.

Sec. 2. Minnesota Statutes 1988, section 245.73, subdivision 1, is amended to read:

Subdivision 1. [COMMISSIONER'S DUTY.] The commissioner shall establish a statewide program to assist counties in ensuring provision of services to adult mentally ill persons. The commissioner shall make grants to county boards to provide community based services to mentally ill persons through facilities programs licensed under sections ~~245.781 to 245.812~~ 245A.01 to 245A.16.

Sec. 3. Minnesota Statutes 1988, section 245.73, subdivision 2, is amended to read:

Subd. 2. [APPLICATION; CRITERIA.] County boards may submit an application and budget for use of the money in the form specified by the commissioner. The commissioner shall make grants only to counties whose applications and budgets are approved by the commissioner for residential facilities programs for adult mentally ill persons to meet licensing requirements pursuant to sections ~~245.781 to 245.812~~ 245A.01 to 245A.16. Funds shall not be used to supplant or reduce local, state, or federal expenditure levels supporting existing resources unless the reduction in available moneys is the result of a state or federal decision not to refund an existing program. State funds received by a county pursuant to this section shall be used only for direct service costs. Both direct service and other costs, including but not limited to renovation, construction or rent of buildings, purchase or lease of vehicles or equipment as required for licensure as a facility residential program for adult

mentally ill persons under sections 245.781 to 245.812 245A.01 to 245A.16, may be paid out of the matching funds required under subdivision 3. Neither the state funds nor the matching funds shall be used for room and board costs.

Sec. 4. Minnesota Statutes 1988, section 245A.02, subdivision 3, is amended to read:

Subd. 3. [APPLICANT.] "Applicant" means an individual, corporation, partnership, voluntary association, controlling individual, or other organization that has applied for licensure under sections 245A.01 to 245A.16 and the rules of the commissioner.

Sec. 5. Minnesota Statutes 1988, section 245A.02, is amended by adding a subdivision to read:

Subd. 5a. [CONTROLLING INDIVIDUAL.] "Controlling individual" means a public body, governmental agency, business entity, officer, program administrator, or director whose responsibilities include the direction of the management or policies of a program. Controlling individual also means an individual who, directly or indirectly, beneficially owns an interest in a corporation, partnership, or other business association that is a controlling individual. Controlling individual does not include:

(1) a bank, savings bank, trust company, building and loan association, savings and loan association, credit union, industrial loan and thrift company, investment banking firm, or insurance company unless the entity operates a program directly or through a subsidiary;

(2) an individual who is a state or federal official, or state or federal employee, or a member or employee of the governing body of a political subdivision of the state or federal government that operates one or more programs, unless the individual is also an officer or director of the program, receives remuneration from the program, or owns any of the beneficial interests not excluded in this subdivision;

(3) an individual who owns less than five percent of the outstanding common shares of a corporation:

(i) whose securities are exempt under section 80A.15, subdivision 1, clause (f); or

(ii) whose transactions are exempt under section 80A.15, subdivision 2, clause (b); or

(4) an individual who is a member of an organization exempt from taxation under section 290.05, unless the individual is also an

officer or director of the program or owns any of the beneficial interests not excluded in this subdivision. This clause does not exclude from the definition of controlling individual an organization that is exempt from taxation.

Sec. 6. Minnesota Statutes 1988, section 245A.02, subdivision 9, is amended to read:

Subd. 9. [LICENSE HOLDER.] "License holder" means an individual, corporation, partnership, voluntary association, or other organization that is legally responsible for the operation of the program and, has been granted a license by the commissioner under sections 245A.01 to 245A.16 and the rules of the commissioner, and is a controlling individual.

Sec. 7. Minnesota Statutes 1988, section 245A.02, subdivision 10, is amended to read:

Subd. 10. [NONRESIDENTIAL PROGRAM.] "Nonresidential program" means care, supervision, rehabilitation, training or habilitation of a person provided outside the person's own home and provided for fewer than 24 hours a day, including adult day care programs; a nursing home that receives public funds to provide services for five or more persons whose primary diagnosis is mental retardation or a related condition or mental illness and who do not have a significant physical or medical problem that necessitates nursing home care; a nursing home or hospital that was licensed by the commissioner on July 1, 1987, to provide a program for persons with a physical handicap that is not the result of the normal aging process and considered to be a chronic condition; and chemical dependency or chemical abuse programs that are located in a nursing home or hospital and receive public funds for providing chemical abuse or chemical dependency treatment services under chapter 254B. Nonresidential programs include home and community-based services and semi-independent living services for persons with mental retardation or a related condition that are provided in or outside of a person's own home.

Sec. 8. Minnesota Statutes 1988, section 245A.02, subdivision 14, is amended to read:

Subd. 14. [RESIDENTIAL PROGRAM.] "Residential program" means a program that provides 24-hour-a-day care, supervision, food, lodging, rehabilitation, training, education, habilitation, or treatment outside a person's own home, including a nursing home or hospital that receives public funds, administered by the commissioner, to provide services for five or more persons whose primary diagnosis is mental retardation or a related condition or mental illness and who do not have a significant physical or medical problem that necessitates nursing home care; a program in an intermediate care facility for four or more persons with mental

retardation or a related condition; a nursing home or hospital that was licensed by the commissioner on July 1, 1987, to provide a program for persons with a physical handicap that is not the result of the normal aging process and considered to be a chronic condition; and chemical dependency or chemical abuse programs that are located in a hospital or nursing home and receive public funds for providing chemical abuse or chemical dependency treatment services under chapter 254B. Residential programs include home and community-based services and semi-independent living services for persons with mental retardation or a related condition that are provided in or outside of a person's own home.

Sec. 9. Minnesota Statutes 1988, section 245A.03, subdivision 1, is amended to read:

Subdivision 1. [LICENSE REQUIRED.] Unless licensed by the commissioner, an individual, corporation, partnership, voluntary association or other organization, or controlling individual must not:

- (1) operate a residential or a nonresidential program;
- (2) receive a child or adult for care, supervision, or placement in foster care or adoption;
- (3) help plan the placement of a child or adult in foster care or adoption; or
- (4) advertise a residential or nonresidential program.

Sec. 10. Minnesota Statutes 1988, section 245A.03, subdivision 2, is amended to read:

Subd. 2. [EXCLUSION FROM LICENSURE.] Sections 245A.01 to 245A.16 do not apply to:

- (1) residential or nonresidential programs that are provided to a person by an individual who is related;
- (2) nonresidential programs that are provided by an unrelated individual to persons from a single related family;
- (3) residential or nonresidential programs that are provided to adults who do not abuse chemicals or who do not have a chemical dependency, a mental illness, mental retardation or a related condition, a functional impairment, or a physical handicap;
- (4) sheltered workshops or work activity programs that are certified by the commissioner of jobs and training;

(5) programs for children enrolled in kindergarten to the 12th grade and prekindergarten special education programs that are operated by the commissioner of education or a school as defined in section 120.101, subdivision 4;

(6) nonresidential programs for children that provide care or supervision for periods of less than three hours a day while the child's parent or legal guardian is in the same building or present on property that is contiguous with the physical facility where the nonresidential program is provided;

(7) nonresidential preschool programs for children that are operated by a church or religious organization for the purpose of providing religious related instruction to member children for less than ten hours a week;

(8) nursing homes or hospitals licensed by the commissioner of health except as specified under section 245A.02;

(8) (9) board and lodge facilities licensed by the commissioner of health that provide services for five or more persons whose primary diagnosis is mental illness who have refused an appropriate residential program offered by a county agency. This exclusion expires on July 1, 1989 1990;

(9) (10) homes providing programs for persons placed there by a licensed agency for legal adoption, unless the adoption is not completed within two years;

(10) (11) programs licensed by the commissioner of corrections;

(11) (12) recreation programs for children or adults that operate for fewer than 40 calendar days in a calendar year;

(12) (13) programs not located in family or group family day care homes whose primary purpose is to provide social or recreational activities outside of the regular school day for adults or school age children age five and older, until such time as appropriate rules have been adopted by the commissioner such as scouting, boys clubs, girls clubs, sports, or the arts; unless a program operating in a school building is approved by the district's school board, the program is not excluded from licensure;

(13) (14) head start nonresidential programs which operate for less than 31 days in each calendar year;

(14) (15) noncertified boarding care homes unless they provide services for five or more persons whose primary diagnosis is mental illness or mental retardation;

~~(15)~~ (16) nonresidential programs for nonhandicapped children provided for a cumulative total of less than 30 days in any 12-month period; or

~~(16)~~ (17) residential programs for persons with mental illness, that are located in hospitals, until the commissioner adopts appropriate rules;

(18) the religious instruction of school age children; Sabbath or Sunday schools; or the congregate care of children by a church, congregation, or religious society during the period used by the church, congregation, or religious society for its regular worship;

(19) camps licensed by the commissioner of health under Minnesota Rules, chapter 4630;

(20) until July 1, 1991, nonresidential programs for persons with mental illness; or

(21) residential programs serving school age children whose sole purpose is cultural or educational exchange, until the commissioner adopts appropriate rules.

Sec. 11. Minnesota Statutes 1988, section 245A.03, subdivision 3, is amended to read:

Subd. 3. [UNLICENSED PROGRAMS.] (a) It is a misdemeanor for an individual, corporation, partnership, voluntary association, ~~or~~ other organization, or a controlling individual to provide a residential or nonresidential program without a license and in willful disregard of sections 245A.01 to 245A.16 unless the program is excluded from licensure under subdivision 2.

(b) If, after receiving notice that a license is required, the individual, corporation, partnership, voluntary association, ~~or~~ other organization, or controlling individual has failed to apply for a license, the commissioner may ask the appropriate county attorney or the attorney general to begin proceedings to secure a court order against the continued operation of the program. The county attorney and the attorney general have a duty to cooperate with the commissioner.

Sec. 12. Minnesota Statutes 1988, section 245A.04, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION FOR LICENSURE.] (a) An individual, corporation, partnership, voluntary association, ~~or~~ other organization or controlling individual that is subject to licensure under section 245A.03 must apply for a license. The application must be made on the forms and in the manner prescribed by the

commissioner. The commissioner shall provide the applicant with instruction in completing the application and provide information about the rules and requirements of other state agencies that affect the applicant.

The commissioner shall act on the application within 90 working days after a complete application and any required reports have been received from other state agencies or departments, counties, municipalities, or other political subdivisions.

(b) An application for licensure shall specify one or more controlling individuals as agents:

(1) who shall be responsible for dealing with the commissioner of human services on all matters provided for in this chapter; and

(2) on whom service of all notices and orders shall be made. The agent shall be authorized to accept service on behalf of all of the controlling individuals of the program. Service on the agent is service on all of the controlling individuals of the program. It is not a defense to any action arising under this chapter that service was not made on each controlling individual of the program. The designation of one or more controlling individuals as agents under this paragraph shall not affect the legal responsibility of any other controlling individual under this chapter.

Sec. 13. Minnesota Statutes 1988, section 245A.04, subdivision 3, is amended to read:

Subd. 3. [STUDY OF THE APPLICANT.] (a) Before issuing the commissioner issues a license, the commissioner shall conduct a study of the applicant individuals specified in clauses (1) to (4) according to rules of the commissioner. The applicant, license holder, the bureau of criminal apprehension, county attorneys, county sheriffs, and county agencies, and local chiefs of police, after written notice to the individual who is the subject of the data study, shall help with the study by giving the commissioner criminal conviction data, arrest information, and reports about abuse or neglect of children or adults, and investigation results available from local, state, and national criminal record repositories, including the criminal justice data communications network, about substantiated under section 626.557 and the maltreatment of minors substantiated under section 626.556. The individuals to be studied shall include:

(1) the applicant;

(2) persons over the age of 13 living in the household where the licensed program will be provided;

(3) current employees or contractors of the applicant who will have direct contact with persons served by the program; and

(4) volunteers who have direct contact with persons served by the program to provide program services, if the contact is not directly supervised by the individuals listed in clause (1) or (3).

The commissioner and agencies required to help conduct the study may charge the applicant or the subject of the data a reasonable fee for conducting the study.

For purposes of this subdivision, "direct contact" means providing face-to-face care, training, supervision, counseling, consultation, or medication assistance to persons served by a program. For purposes of this subdivision, "directly supervised" means an individual listed in clause (1) or (3) is within sight or hearing of a volunteer to the extent that the individual listed in clause (1) or (3) is capable at all times of intervening to protect the health and safety of the persons served by the program who have direct contact with the volunteer.

A study of an individual in clauses (1) to (4) shall be conducted on at least an annual basis. No applicant, license holder, or individual who is the subject of the study shall pay any fees required to conduct the study.

(b) The individual who is the subject of the study must provide the applicant or license holder with sufficient information to ensure an accurate study including: the individual's first, middle, and last name; home address, city, county, and state of residence; zip code; sex; date of birth; and driver's license number. The applicant or license holder shall provide this information about an individual in paragraph (a), clauses (1) to (4), on forms prescribed by the commissioner. The commissioner may request additional information of the individual, which shall be optional for the individual to provide, such as the individual's social security number or race.

(c) A study must meet the following minimum criteria:

(1) if the subject of the data has resided in the same county for at least the past five years, the study must include information from the county sheriff, the local chief of police, and the county agency

(2) if the subject of the data has resided in the state, but not in the same county, for the past five years, the study must include agency's record of substantiated abuse of adults, neglect of adults, and the maltreatment of minors, and information from the agencies listed in clause (1) and the bureau of criminal apprehension; and

(3) if the subject of the data has not resided in the state for at least five years, the study must include information from the agencies

listed in clauses (1) and (2) and the national criminal records repository and the state law enforcement agencies in the states where the subject of the data has maintained a residence during the past five years.

The commissioner may also review arrest and investigative information from the bureau of criminal apprehension, a county attorney, county sheriff, county agency, local chief of police, other states, the courts, or a national criminal record repository if the commissioner has reasonable cause to believe the information is pertinent to the disqualification of an individual listed in paragraph (a), clauses (1) to (4).

(e) (d) An applicant's or license holder's failure or refusal to cooperate with the commissioner is reasonable cause to deny an application or immediately suspend, suspend, or revoke or suspend a license. Failure or refusal of an individual to cooperate with the study is just cause for denying or terminating employment of the individual if the individual's failure or refusal to cooperate could cause the applicant's application to be denied or the license holder's license to be immediately suspended, suspended, or revoked.

(d) (e) The commissioner shall not consider an application to be complete until all of the information required to be provided under this subdivision has been received.

(f) No person in paragraph (a), clause (1), (2), (3), or (4) who is disqualified as a result of this act may be retained by the agency in a position involving direct contact with persons served by the program.

(g) The commissioner shall not implement the procedures contained in this subdivision until appropriate rules have been adopted, except for the applicants and license holders for child foster care, adult foster care, and family day care homes.

(h) Termination of persons in paragraph (a), clause (1), (2), (3), or (4) made in good faith reliance on a notice of disqualification provided by the commissioner shall not subject the applicant or license holder to civil liability.

Sec. 14. Minnesota Statutes 1988, section 245A.04, is amended by adding a subdivision to read:

Subd. 3a. [NOTIFICATION TO SUBJECT OF STUDY RESULTS.] The commissioner shall notify the applicant or license holder and the individual who is the subject of the study, in writing, of the results of the study. When the study is completed, a notice that the study was undertaken and completed shall be maintained in the personnel files of the program.

The commissioner shall notify the individual studied if the information contained in the study could cause disqualification from direct contact with persons served by the program. The commissioner shall disclose the information to the individual studied. An applicant or license holder who is not the subject of the study shall be informed that the commissioner has found information that could cause disqualification of the subject from direct contact with persons served by the program. However, the applicant or license holder shall not be told what that information is unless the data practices act provides for release of the information and the individual studied authorizes the release of the information.

Sec. 15. Minnesota Statutes 1988, section 245A.04, is amended by adding a subdivision to read:

Subd. 3b. [RECONSIDERATION OF DISQUALIFICATION.] Within 30 days after receiving notice of possible disqualification under subdivision 3a, the individual who is the subject of the study may request reconsideration of the notice of possible disqualification. The individual must submit the request for reconsideration to the commissioner in writing.

(a) The individual must present information to show that:

- (1) the information the commissioner relied upon is incorrect; or
- (2) the subject of the study does not pose a risk of harm to any person served by the applicant or license holder.

(b) The commissioner may set aside the disqualification if the commissioner finds that:

- (1) the information the commissioner relied upon is incorrect; or
- (2) the individual does not pose a risk of harm to any person served by the applicant or license holder and rules adopted by the commissioner do not preclude reconsideration. The commissioner shall review the consequences of the event or events that could lead to disqualification, the vulnerability of the victim at the time of the event, the time elapsed without a repeat of the same or similar event, and documentation of successful completion by the individual studied of training or rehabilitation pertinent to the event.

The commissioner shall respond in writing to all reconsideration requests within 15 working days after receiving the request for reconsideration. If the disqualification is set aside, the commissioner shall notify the applicant or license holder in writing of the decision.

Except as provided in subdivision 3c, the commissioner's decision

to grant or deny a reconsideration of disqualification under this subdivision, or to set aside or uphold the results of the study under subdivision 3, is the final administrative agency action.

Persons whose employment is terminated based on a notice of disqualification from the commissioner shall not be eligible for benefits under sections 268.03 to 268.231 with respect to the individual's unemployment.

Sec. 16. Minnesota Statutes 1988, section 245A.04, is amended by adding a subdivision to read:

Subd. 3c. [CONTESTED CASE.] If a disqualification is not set aside, a person who, on or after the effective date of rules adopted under subdivision 3, paragraph (g), is an employee of an employer, as defined in section 179A.03, subdivision 15, may request a contested case hearing under chapter 14.

Sec. 17. Minnesota Statutes 1988, section 245A.04, subdivision 5, is amended to read:

Subd. 5. [COMMISSIONER'S RIGHT OF ACCESS.] When the commissioner is exercising the powers conferred by sections 245A.01 to 245A.15, the commissioner must be given access to the physical plant and grounds where the program is provided, documents, persons served by the program, and staff whenever the program is in operation and the information is relevant to inspections or investigations conducted by the commissioner. The commissioner must be given access without prior notice and as often as the commissioner considers necessary if the commissioner is conducting an investigation of allegations of abuse, neglect, maltreatment, or other violation of applicable laws or rules. In conducting inspections, the commissioner may request and shall receive assistance from other state, county, and municipal governmental agencies and departments. The applicant or license holder shall allow the commissioner to photocopy, photograph, and make audio and video tape recordings during the inspection of the program at the commissioner's expense. The commissioner shall obtain a court order or the consent of the subject of the records or the parents or legal guardian of the subject before photocopying hospital medical records.

Persons served by the program have the right to refuse to consent to be interviewed, photographed, or audio or videotaped. Failure or refusal of an applicant or license holder to fully comply with this subdivision is reasonable cause for the commissioner to deny the application or immediately suspend or revoke the license.

Sec. 18. Minnesota Statutes 1988, section 245A.04, subdivision 6, is amended to read:

Subd. 6. [COMMISSIONER'S EVALUATION.] Before granting, suspending, revoking, or making probationary a license, the commissioner shall evaluate information gathered under this section. The commissioner's evaluation shall consider facts, conditions, or circumstances concerning the program's operation, the well-being of persons served by the program, consumer evaluations of the program, and information about the character and qualifications of the personnel employed by the applicant or license holder.

The commissioner shall evaluate the results of the study required in subdivision 3 and determine whether a risk of harm to the persons served by the program exists. In conducting this evaluation, the commissioner shall apply the disqualification standards set forth in rules adopted under this chapter. If any rule currently does not include these disqualification standards, the commissioner shall apply the standards in section 364.03, subdivision 2 3, until the rule is revised to include disqualification standards. The commissioner shall revise all rules authorized by this chapter to include disqualification standards. Prior to the adoption of rules establishing disqualification standards, the commissioner shall forward the proposed rules to the commissioner of human rights for review and recommendation concerning the protection of individual rights. The recommendation of the commissioner of human rights shall not be binding on the commissioner of human services. The provisions of chapter 364 do not apply to applicants or license holders governed by sections 245A.01 to 245A.16 except as provided in this subdivision.

Sec. 19. Minnesota Statutes 1988, section 245A.04, subdivision 7, is amended to read:

Subd. 7. [ISSUANCE OF A LICENSE; PROVISIONAL LICENSE.] (a) If the commissioner determines that the program complies with all applicable rules and laws, the commissioner shall issue a license. At minimum, the license shall state:

- (1) the name of the license holder;
- (2) the address of the program;
- (3) the effective date and expiration date of the license;
- (4) the type of license;
- (5) the maximum number and ages of persons that may receive services from the program; and
- (6) any special conditions of licensure.

(b) The commissioner may issue a provisional license for a period not to exceed one year if:

(1) the commissioner is unable to conduct the evaluation or observation required by subdivision 4, paragraph (a), clauses (3) and (4), because the program is not yet operational;

(2) certain records and documents are not available because persons are not yet receiving services from the program; and

(3) the applicant complies with applicable laws and rules in all other respects.

A provisional license must not be issued except at the time that a license is first issued to an applicant.

A license shall not be transferable to another individual, corporation, partnership, voluntary association or other organization, or controlling individual, or to another location. All licenses expire at 12:01 a.m. on the day after the expiration date stated on the license. A license holder must apply for and be granted a new license to operate the program or the program must not be operated after the expiration date.

Sec. 20. Minnesota Statutes 1988, section 245A.06, subdivision 1, is amended to read:

Subdivision 1. [CONTENTS OF CORRECTION ORDERS.] If the commissioner finds that the applicant or license holder has failed to comply with an applicable law or rule and this failure does not imminently endanger the health, safety, or rights of the persons served by the program, the commissioner may issue a correction order to the applicant or license holder. The correction order must state:

- (1) the conditions that constitute a violation of the law or rule;
- (2) the specific law or rule violated; and
- (3) the time allowed to correct each violation.

Nothing in this section prohibits the commissioner from proposing a sanction as specified in section 245A.07, prior to issuing a correction order or fine.

Sec. 21. Minnesota Statutes 1988, section 245A.06, subdivision 5, is amended to read:

Subd. 5. [FORFEITURE OF FINES.] The license holder shall pay the fines assessed within 15 calendar days of receipt of notice of on or before the payment date specified in the commissioner's order. If the license holder fails to fully comply with the order, the commissioner shall suspend the license until the license holder complies. If

the license holder receives state funds, the state, county, or municipal agencies or departments responsible for administering the funds shall withhold payments and recover any payments made while the license is suspended for failure to pay a fine.

Sec. 22. Minnesota Statutes 1988, section 245A.06, is amended by adding a subdivision to read:

Subd. 5a. [ACCRUAL OF FINES.] A license holder shall promptly notify the commissioner of human services, in writing, when a violation specified in an order to forfeit is corrected. A fine assessed for a violation shall stop accruing when the commissioner receives the written notice. The commissioner shall reinspect the program within three working days after receiving the notice. If upon reinspection the commissioner determines that a violation has not been corrected as indicated by the order to forfeit, accrual of the daily fine shall resume on the date of reinspection and the amount of fines that otherwise would have accrued between the date the commissioner received the notice and date of the reinspection shall be added to the total assessment due from the license holder. The commissioner shall notify the license holder by certified mail that accrual of the fine has resumed. The license holder may challenge the resumption in a contested case under chapter 14 by written request within 15 days after receipt of the notice of resumption. Recovery of the resumed fine shall be stayed if a controlling individual or a legal representative on behalf of the license holder makes a written request for a hearing. The request for hearing, however, shall not stay accrual of the daily fine for violations that have not been corrected. The cost of reinspection conducted under this subdivision for uncorrected violations shall be added to the total amount of accrued fines due from the license holder.

Sec. 23. Minnesota Statutes 1988, section 245A.07, subdivision 2, is amended to read:

Subd. 2. [IMMEDIATE SUSPENSION IN CASES OF IMMINENT DANGER TO HEALTH, SAFETY, OR RIGHTS.] If the license holder's failure to comply with applicable law or rule has placed the health, safety, or rights of persons served by the program in imminent danger, the commissioner shall act immediately to suspend the license. No state funds shall be made available or be expended by any agency or department of state, county, or municipal government for use by a license holder regulated under sections 245A.01 to 245A.16 while a license is under immediate suspension. A notice stating the reasons for the immediate suspension and informing the license holder of the right to a contested case hearing under chapter 14 must be delivered by personal service to the address shown on the application or the last known address of the license holder. The license holder may appeal an order immediately suspending a license by notifying the commissioner in writing by certified mail within five calendar days after receiving notice that

the license has been immediately suspended. A license holder and any controlling individual shall discontinue operation of the program upon receipt of the commissioner's order to immediately suspend the license.

Sec. 24. Minnesota Statutes 1988, section 245A.08, subdivision 5, is amended to read:

Subd. 5. [NOTICE OF THE COMMISSIONER'S FINAL ORDER.] After considering the findings of fact, conclusions, and recommendations of the administrative law judge, the commissioner shall issue a final order. The commissioner shall consider, but shall not be bound by, the recommendations of the administrative law judge. The appellant must be notified of the commissioner's final order as required by chapter 14. The notice must also contain information about the appellant's rights under chapter 14. The institution of proceedings for judicial review of the commissioner's final order shall not stay the enforcement of the final order except as provided in section 14.65. A license holder and each controlling individual of a license holder whose license has been revoked because of noncompliance with applicable law or rule must not be granted a license for five years following the revocation.

Sec. 25. Minnesota Statutes 1988, section 245A.12, is amended to read:

**245A.12 [VOLUNTARY RECEIVERSHIP FOR RESIDENTIAL FACILITIES PROGRAMS.]**

A majority of controlling ~~persons~~ individuals of a residential program may at any time ask the commissioner to assume operation of the residential program through appointment of a receiver. On receiving the request for a receiver, the commissioner may enter into an agreement with a majority of controlling ~~persons~~ individuals and provide for the appointment of a receiver to operate the residential program under conditions acceptable to both the commissioner and the majority of controlling persons. The agreement must specify the terms and conditions of the receivership and preserve the rights of the persons being served by the residential program. A receivership set up under this section terminates at the time specified by the parties to the agreement or 30 days after either of the parties gives written notice to the other party of termination of the receivership agreement.

Sec. 26. Minnesota Statutes 1988, section 245A.13, is amended to read:

**245A.13 [INVOLUNTARY RECEIVERSHIP FOR RESIDENTIAL FACILITIES PROGRAMS.]**

Subdivision 1. [APPLICATION.] The commissioner may petition the district court in the county where the residential program is located for an order directing the controlling persons individuals of the residential program to show cause why the commissioner or the commissioner's designated representative should not be appointed receiver to operate the residential program. The petition to the district court must contain proof by affidavit that the commissioner has either begun license suspension or revocation proceedings, suspended or revoked a license, or decided to deny an application for licensure of the residential program. If the license holder or applicant, or controlling individual operates more than one residential program, the commissioner's petition must specify and be limited to the residential program for which the commissioner has either begun license suspension or revocation proceedings, suspended or revoked a license, or has decided to deny an application for licensure of the residential program. The order to show cause is returnable not less than five days after service is completed and must provide for personal service of a copy to the residential program administrator and to the persons designated as agents by the controlling persons individuals to accept service on their behalf.

Subd. 2. [APPOINTMENT OF RECEIVER; RENTAL.] If the court finds that involuntary receivership is necessary as a means of protecting the health, safety, or rights of persons being served by the residential program, the court shall appoint the commissioner or the commissioner's designated representative as a receiver to operate the residential program. The court shall determine a fair monthly rental for the physical plant, taking into account all relevant factors including the conditions of the physical plant. The rental fee must be paid by the receiver to the appropriate controlling persons individuals for each month that the receivership remains in effect. No payment made to a controlling person individual by the receiver or any state agency during a period of involuntary receivership shall include any allowance for profit or be based on any formula that includes an allowance for profit.

Subd. 3. [POWERS AND DUTIES OF THE RECEIVER.] Within 18 months after the receivership order, a receiver appointed to operate a residential program during a period of involuntary receivership shall provide for the orderly transfer of the persons served by the residential program to other residential programs or make other provisions to protect their health, safety, and rights. The receiver shall correct or eliminate deficiencies in the residential program that the commissioner determines endanger the health, safety, or welfare of the persons being served by the residential program unless the correction or elimination of deficiencies involves major alteration in the structure of the physical plant. If the correction or elimination of the deficiencies requires major alterations in the structure of the physical plant, the receiver shall take actions designed to result in the immediate transfer of persons served by the residential program. During the period of the receivership, the

receiver shall operate the residential program in a manner designed to guarantee the health, safety, rights, adequate care, and supervision of the persons served by the residential program. The receiver may make contracts and incur lawful expenses. The receiver shall collect incoming payments from all sources and apply them to the cost incurred in the performance of the receiver's functions including the receiver's fee set under subdivision 4. No security interest in any real or personal property comprising the residential program or contained within it, or in any fixture of the physical plant, shall be impaired or diminished in priority by the receiver. The receiver shall pay all valid obligations of the residential program and may deduct these expenses, if necessary, from rental payments owed to any controlling ~~person~~ individual by virtue of the receivership.

Subd. 4. [RECEIVER'S FEE; LIABILITY; ASSISTANCE FROM THE COMMISSIONER.] A receiver appointed under an involuntary receivership is entitled to a reasonable receiver's fee as determined by the court. The receiver is liable only in an official capacity for injury to person and property by reason of the conditions of the residential program. The receiver is not personally liable, except for gross negligence and intentional acts.

Subd. 5. [TERMINATION.] An involuntary receivership terminates 12 months after the date on which it was ordered or at any other time designated by the court or when any of the following events occurs:

(1) the commissioner determines that the residential program's license application should be granted or should not be suspended or revoked;

(2) a new license is granted to the residential program; or

(3) the commissioner determines that all persons residing in the residential program have been provided with alternative residential programs.

Sec. 27. Minnesota Statutes 1988, section 245A.14, subdivision 3, is amended to read:

Subd. 3. [CONDITIONAL LICENSE.] Until such time as the commissioner adopts appropriate rules for conditional licenses, no license holder or applicant for a family or group family day care license is required to spend more than \$100 to meet fire safety rules in excess of those required to meet Group "R" occupancies under the Uniform Building Code, chapter 12, as incorporated by reference in Minnesota Rules, part 1305.0100.

When the commissioner determines that an applicant or license holder of a family or group family day care license would be required

to spend over \$100 for physical changes to ensure fire safety, the commissioner may issue a conditional license when all of the following conditions have been met:

(a) The commissioner shall notify the provider license holder or applicant in writing of the fire safety deficiencies.

(b) The commissioner shall notify the provider license holder or applicant in writing of alternative compliance standards that would correct deficiencies, if available.

(c) The provider license holder or applicant agrees in writing to notify each parent, on a form prescribed by the commissioner that requires the signature of the parent, of the fire safety deficiencies, and the existence of the conditional license.

Sec. 28. Minnesota Statutes 1988, section 245A.14, is amended by adding a subdivision to read:

Subd. 6. [LICENSING OF DROP-IN DAY CARE CENTERS FOR CHILDREN.] In any rule adopted by the commissioner of human services to set standards for the operation of child care programs in a center, there shall be specific provisions to govern centers that provide only drop-in care. "Drop-in care," for purposes of this section, means care provided by a program that operates for more than 30 days in any 12-month period, is not excluded by section 245A.03, subdivision 2, provides care to an individual child for no more than a total of 30 hours in any calendar month, and does not have a regularly scheduled ongoing child care program with a stable enrollment. For centers that provide only drop-in care, the commissioner shall set flexible standards for permitting children of adjacent age groups to be cared for in the same day care group and shall set reduced staff distribution requirements. As long as one qualified teacher is on the premises of a center that provides only drop-in care, with a licensed capacity of 30 or less while the center is open for drop-in care, there need not be a head teacher for every age group. In centers that provide only drop-in care and that accept both infants and older children, infants can be supervised by assistant teachers, as long as other staff are present in appropriate ratios as determined by the commissioner. For centers that provide only drop-in child care, the commissioner may establish lesser requirements for furnishings, equipment, materials, and supplies. The commissioner may exempt a center that provides only drop-in care from other standards governing child care centers, as long as those exemptions are specifically stated in the rule.

Sec. 29. Minnesota Statutes 1988, section 245A.16, subdivision 1, is amended to read:

Subdivision 1. [DELEGATION OF AUTHORITY TO AGENCIES.] County agencies and private agencies that have been desig-

nated or licensed by the commissioner to perform licensing functions and activities under section 245A.04, to recommend denial of applicants under section 245A.05, to recommend correction orders and fines under section 245A.06, or to recommend suspending, revoking, and making licenses probationary under section 245A.07, shall comply with rules and directives of the commissioner governing those functions and with this section.

By January 1, 1991, the commissioner shall study and make recommendations to the legislature regarding the licensing and provision of support services to child foster homes. In developing the recommendations, the commissioner shall consult licensed private agencies, county agencies, and licensed foster home providers.

Sec. 30. Minnesota Statutes 1988, section 254A.08, subdivision 2, is amended to read:

Subd. 2. For the purpose of this section, a detoxification program means a social rehabilitation program established for the purpose of facilitating access into care and treatment by detoxifying and evaluating the person and providing entrance into a comprehensive program. Such a Evaluation of the person shall include verification by a professional, after preliminary examination, that the person is intoxicated or has symptoms of chemical dependency and appears to be in imminent danger of harming self or others. A detoxification program shall have available the services of a licensed physician for medical emergencies and routine medical surveillance. A detoxification program licensed by the department of human services to serve both adults and minors at the same site must provide for separate sleeping areas for adults and minors.

#### Sec. 31. [RULES FOR DROP-IN CARE.]

By April 1, 1990, the commissioner of human services must adopt permanent rules to amend Minnesota Rules, part 9503.0075, to bring that rule part into conformity with the requirements of section 28.

#### Sec. 32. [RULES PROVIDING VARIANCES.]

The commissioner of human services is authorized to amend Minnesota Rules, part 9503.0170, subpart 6, item D, to permit variances from the staff distribution requirements of part 9503.0040, subpart 2, item D; to permit variances from the age category grouping requirements of part 9503.0040, subpart 3, item B, subitem (1); and to permit variances from the transportation requirements of part 9503.0150, item E. Variance requests submitted to the commissioner according to the amendments authorized in this section must comply in all respects with the provisions of part 9503.0170, subpart 6, items A to C. The commissioner's authority to adopt rules under this section expires on January 1, 1990.

Sec. 33. [REPEALER.]

Laws 1987, chapter 403, article 5, section 1, is repealed.

Sec. 34. [EFFECTIVE DATE.]

Sections 28, 31, and 32, are effective the day after final enactment.

Delete the title and insert:

“A bill for an act relating to human services; providing requirements for licensing under the human services licensing act; amending Minnesota Statutes 1988, sections 144A.01, subdivision 5; 245.73, subdivisions 1 and 2; 245A.02, subdivisions 3, 9, 10, 14, and by adding a subdivision; 245A.03, subdivisions 1, 2, and 3; 245A.04, subdivisions 1, 3, 5, 6, 7, and by adding subdivisions; 245A.06, subdivisions 1, 5, and by adding a subdivision; 245A.07, subdivision 2; 245A.08, subdivision 5; 245A.12; 245A.13; 245A.14, subdivision 3, and by adding a subdivision; 245A.16, subdivision 1; and 254A.08, subdivision 2; repealing Laws 1987, chapter 403, article 5, section 1.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 719, A bill for an act relating to economic development; authorizing certain local jurisdictions to contribute to local or regional economic development organizations; proposing coding for new law in Minnesota Statutes, chapter 469.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 730, A bill for an act relating to human services; clarifying eligibility requirements for AFDC; revising the Minnesota supplemental aid program; appropriating money; amending Minnesota Statutes 1988, sections 13.46, subdivision 2; 237.70,

subdivision 7; 237.701, subdivision 1; 256.014, subdivision 1; 256.12, subdivision 14; 256.73, subdivision 3a; 256.736, subdivision 3; 256.74, subdivisions 1 and 1a; 256D.01, subdivision 1b; 256D.35, subdivisions 1, 7, and by adding subdivisions; 256D.36, subdivision 1, and by adding a subdivision; and 256D.37, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 256D; proposing coding for new law as Minnesota Statutes, chapter 256I; repealing Minnesota Statutes 1988, sections 256D.01, subdivision 1c; 256D.06, subdivisions 3, 4, and 6; 256D.35, subdivisions 2, 3, 4, and 8; 256D.36, subdivision 2; 256D.37, subdivisions 2, 4, 6, 7, 8, 9, 10, 11, 12, 13, and 14; 256D.38; 256D.39; 256D.41; 256D.42; and 256D.43.

Reported the same back with the following amendments:

Pages 6 to 13, delete sections 5 to 9

Page 15, line 36, delete "the inability"

Page 16, delete lines 1 to 3

Page 16, line 4, delete "those" and insert "disability as determined under the"

Page 17, line 19, before "income" insert "net"

Page 19, line 30, before "regional" insert "nursing home,"

Page 19, line 31, after "center" insert a comma

Page 23, line 18, delete everything after the headnote and insert "The transfer policies and procedures of the Minnesota supplemental aid program are those used by the medical assistance program under section 256B.17."

Page 23, delete lines 19 to 36

Page 24, delete lines 1 to 8

Page 26, line 25, after "property" insert "who is the assistance unit or a responsible relative of the assistance unit"

Page 27, line 22, delete "5" and insert "4"

Page 27, lines 24 and 25, delete "share a residence" and insert "reside"

Page 27, line 27, delete "shares a residence" and insert "resides"

Page 27, delete lines 29 to 32

Renumber the subdivisions in sequence

Page 28, after line 27, insert:

“(d) The county agency shall continue to pay a monthly allowance of \$68 for restaurant meals for a person who was receiving a restaurant meal allowance on June 1, 1990, and who eats two or more meals in a restaurant daily. The allowance must continue until the person has not received Minnesota supplemental aid for one full calendar month or until the person’s living arrangement changes and the person no longer meets the criteria for the restaurant meal allowance, whichever occurs first.”

Page 29, line 11, delete “5” and insert “4”

Page 29, line 16, delete “Emergency”

Page 29, delete lines 17 and 18

Page 30, line 36, after the period, insert “The criteria used to determine a person’s continuing need for a protective payee are the criteria used in the supplemental security income program to determine if a person is incapable of managing or directing the management of the person’s money.”

Page 31, line 31, before “facilities” insert “nursing homes, regional treatment centers, and”

Page 32, line 23, delete “understands” and insert “acknowledges”

Page 32, line 35, after “terminated,” insert “the client has the right to choose to have”

Page 32, line 36, delete “must be”

Page 33, line 18, delete “emergency and”

Page 33, delete lines 30 to 35 and insert “as required by federal authorities to avoid sanctions against the state’s medical assistance program. Program changes which are made pursuant to this section during a period when the legislature is not in session shall be effective only until the effective date of legislation passed during the next regular or special session of the legislature to affirm or rescind the commissioner’s interim action. Whenever the commissioner proposes to exercise the authority granted by this subdivision, notice of the proposed action shall be provided to the chairs of the health and human services division of the senate finance committee, the senate health and human services policy committee, the health

and human services division of the house appropriations committee, and the house health and human services policy committee. The notice must be provided at least ten days before the program changes are to take effect and shall include the specific basis for the commissioner's action, including the precise authority cited by the federal authorities for the threatened sanction. Copies of all relevant communications from federal authorities to the state department of human services shall be included with the notice to the legislative chairs."

Page 36, line 21, delete "filed" and insert "received by a county agency"

Page 37, line 7, delete "this chapter" and insert "general assistance or Minnesota supplemental aid"

Page 38, line 12, delete "subdivision 1" and insert "this section"

Page 39, line 35, delete "10, 26, 34" and insert "5, 21, 29"

Page 39, line 36, delete "section 35, 53 to 58, and 59" and insert "sections 30, 48 to 53, and 54"

Page 40, line 2, delete "11 to 25, 27 to 33" and insert "6 to 20, 22 to 28"

Page 40, line 3, delete "section 35, 36 to 52, and 59" and insert "sections 30, 31 to 47, and 54"

Page 40, line 5, delete "59" and insert "54"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 7, delete "256.12,"

Page 1, delete line 8

Page 1, line 9, delete everything before "256D.01"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 737, A bill for an act relating to housing; changing notice and redemption provisions for certain types of properties; revising certain tenant damage provisions in landlord-tenant actions; regulating tenant screening services; revising certain housing receiver-ship provisions; establishing housing courts, rent escrow systems, and building repair fines as demonstration projects in Hennepin and Ramsey counties; imposing penalties; amending Minnesota Statutes 1988, sections 463.21; 504.255; 504.26; 566.175, subdivision 1; 566.29, subdivisions 1, 4, and by adding subdivisions; 580.031; 580.23, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 504 and 566.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 463.21, is amended to read:

463.21 [ENFORCEMENT OF JUDGMENT.]

If a judgment is not complied with in the time prescribed, the governing body may cause the building to be repaired, razed, or removed or the hazardous condition to be removed or corrected as set forth in the judgment, or acquire the building and real estate on which the building or hazardous condition is located by eminent domain as provided in section 463.152. The cost of ~~such~~ the repairs, razing, or removal ~~shall~~ may be a lien recovered by obtaining a judgment against the owner of the real estate on which the building is located or the hazardous condition exists and or may be enforced as a lien against the real estate on which the building is located or the hazardous condition exists. The lien may be levied and collected only as a special assessment in the manner provided by Minnesota Statutes 1961, sections 429.061 to 429.081, but the assessment shall be payable in a single installment. When the building is razed or removed by the municipality, the governing body may sell the salvage and valuable materials at public auction upon three days' posted notice.

Sec. 2. Minnesota Statutes 1988, section 504.255, is amended to read:

504.255 [UNLAWFUL OUSTER OR EXCLUSION; DAMAGES.]

If a landlord, an agent, or other person acting under the landlord's direction or control, unlawfully and in bad faith removes ~~or~~, excludes, or forcibly keeps out a tenant from a residential premises,

the tenant may recover from the landlord ~~up to~~ treble damages or \$500, whichever is greater, and reasonable attorney's fees.

Sec. 3: Minnesota Statutes 1988, section 504.26, is amended to read:

**504.26 [UNLAWFUL TERMINATION OF UTILITIES.]**

Except as otherwise provided in this ~~subdivision~~ section, if a landlord, an agent or other person acting under the landlord's direction or control, interrupts or causes the interruption of electricity, heat, gas, or water services to the tenant, the tenant may recover from the landlord treble damages or \$500, whichever is greater, and reasonable attorney's fees. It is a defense to any action brought under this ~~subdivision~~ section that the interruption was the result of the deliberate or negligent act or omission of a tenant or anyone acting under the direction or control of the tenant. The tenant may recover only actual damages under this ~~subdivision~~ section if:

(a) the tenant has not given the landlord, an agent or other person acting under the landlord's direction or control, notice of the interruption; or

(b) the landlord, an agent or other person acting under the landlord's direction or control, after receiving notice of the interruption from the tenant and within a reasonable period of time after the interruption, taking into account the nature of the service interrupted and the effect of the interrupted service on the health, welfare and safety of the tenants, has reinstated or made a good faith effort to reinstate the service or has taken other remedial action; or

(c) the interruption was for the purpose of repairing or correcting faulty or defective equipment or protecting the health and safety of the occupants of the premises involved and the service was reinstated or a good faith effort was made to reinstate the service or other remedial action was taken by the landlord, an agent, or other person acting under the landlord's direction or control within a reasonable period of time, taking into account the nature of the defect, the nature of the service interrupted and the effect of the interrupted service on the health, welfare and safety of the tenants.

**Sec. 4. [504.29] [DEFINITIONS.]**

Subdivision 1. [APPLICABILITY.] The definitions in this section apply to sections 4 to 6.

Subd. 2. [OWNER.] "Owner" has the meaning given it in section 566.18, subdivision 3.

Subd. 3. [TENANT.] "Tenant" has the meaning given it in section 566.18, subdivision 2.

Subd. 4. [TENANT REPORT.] "Tenant report" means a written, oral, or other communication by a tenant screening service that includes information concerning an individual's creditworthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living, and that is collected, used, or expected to be used for the purpose of making decisions relating to residential tenancies or residential tenancy applications.

Subd. 5. [TENANT SCREENING SERVICE.] "Tenant screening service" means a person or business regularly engaged in the practice of gathering, storing, or disseminating information about tenants or assembling tenant reports for monetary fees, dues, or on a cooperative nonprofit basis.

Sec. 5. [504.30] [TENANT REPORTS; DISCLOSURE AND CORRECTIONS.]

Subdivision 1. [DISCLOSURES REQUIRED.] Upon request and proper identification, a tenant screening service must disclose the following information to an individual:

(1) the nature and substance of all information in its files on the individual at the time of the request; and

(2) the sources of the information.

A tenant screening service must make the disclosures to an individual without charge if information in a tenant report has been used within the past 30 days to deny a rental to the individual or increase the security deposit or rent of a residential housing unit. If the tenant report has not been used to deny the rental or increase the rent or security deposit of a residential housing unit within the past 30 days, the tenant screening service may impose a reasonable charge for making the disclosure required under this section. The charge shall be indicated to the consumer prior to furnishing the information and shall not exceed the charge that the consumer reporting agency would impose on each designated recipient for a consumer report, except that no charge may be made for notifying such persons of the deletion of information which is found to be inaccurate or which can no longer be verified.

Subd. 2. [CORRECTIONS.] If the completeness or accuracy of an item of information contained in an individual's file is disputed by the individual, the tenant screening service must reinvestigate and record the current status of the information. If the information is found to be inaccurate or can no longer be verified, the tenant screening service must delete the information from the individual's

file and tenant report. At the request of the individual, the tenant screening service must give notification of the deletions to persons who have received the tenant report within the past six months.

Subd. 3. [EXPLANATIONS.] The tenant screening service must permit an individual to explain any disputed item in a tenant report not resolved by a reinvestigation. The explanation must be included in the tenant report. The tenant screening service may limit the explanation to no more than 100 words.

Subd. 4. [COURT FILE INFORMATION.] If a tenant screening service includes in a tenant report information from a court file on an individual, the outcome of the court proceeding must be accurately recorded in the tenant report, unless the outcome is not provided by the court. Whenever the court supplies information from a court file on an individual, in whatever form, the court shall include information on the outcome of the court proceeding when it is available. The tenant screening service is not liable under section 6 with respect to court file information if the tenant screening service reports complete and accurate information as provided by the court.

Subd. 5. [INFORMATION TO TENANT.] If the owner uses information in a tenant report to deny the rental or increase the security deposit or rent of a residential housing unit, the owner shall inform the prospective tenant of the name and address of the tenant screening service that provided the tenant report.

#### Sec. 6. [504.31] [TENANT REPORT; REMEDIES.]

The remedies provided in section 8.31 apply to a violation of section 5. A tenant screening service or owner in compliance with the provisions of the Fair Credit Reporting Act, United States Code, title 15, section 1681, et seq., is considered to be in compliance with section 5.

#### Sec. 7. [504.32] [NOTICE REQUIREMENT.]

Subdivision 1. [DEFINITIONS.] The definitions of "owner" and "tenant" in section 566.18 apply to this section.

Subd. 2. [NOTICE.] The owner of federally subsidized rental housing shall give tenants a one-year written notice under the following conditions:

(1) a federal Section 8 contract will expire;

(2) the owner will exercise the option to terminate or not renew a federal Section 8 contract and mortgage;

(3) the owner will prepay a mortgage and the prepayment will result in the termination of any federal use restrictions that apply to the housing; or

(4) the owner will terminate a housing subsidy program.

The notice shall be provided at the commencement of the lease if the lease commences less than one year before any of the above conditions apply.

Sec. 8. Minnesota Statutes 1988, section 566.175, subdivision 1, is amended to read:

Subdivision 1. [UNLAWFUL EXCLUSION OR REMOVAL.] For purposes of this section, "unlawfully removed or excluded" means actual or constructive removal or exclusion. Actual or constructive removal or exclusion may include the termination of utilities, or the removal of doors, windows, or locks. Any tenant who is unlawfully removed or excluded from lands or tenements which are demised or let to the tenant may recover possession of the premises in the following manner:

(a) The tenant shall present a verified petition to the county or municipal court of the county in which the premises are located, which petition shall:

(1) describe the premises of which possession is claimed and the owner, as defined in section 566.18, subdivision 3, of the premises;

(2) specifically state the facts and grounds that demonstrate that the removal or exclusion was unlawful including a statement that no judgment and writ of restitution have been issued under section 566.09 in favor of the owner and against petitioner as to the premises and executed in accordance with section 566.17; and

(3) ask for possession thereof.

(b) If it clearly appears from the specific grounds and facts stated in the verified petition or by separate affidavit of petitioner or the petitioner's counsel or agent that the removal or exclusion was unlawful, the court shall immediately order that petitioner have possession of the premises.

(c) The petitioner shall furnish monetary or other security if any as the court deems appropriate under the circumstances for payment of all costs and damages the defendant may sustain if the order is subsequently found to have been obtained wrongfully. In determining the appropriateness of any security the court shall consider petitioner's ability to afford monetary security.

(d) The court shall direct the order to the sheriff or any constable of the county in which the premises is located and the sheriff or constable shall execute the order immediately by making a demand upon the defendant, if found, or the defendant's agent or other person in charge of the premises, for possession of the premises. If the defendant fails to comply with the demand, the officer shall take whatever assistance may be necessary and immediately place the petitioner in possession of the premises. If the defendant or the defendant's agent or other person in control of the premises cannot be found and if there is no person in charge of the premises detained so that no demand can be made, the officer shall immediately enter into possession of the premises and place the petitioner in possession of the premises. The officer shall also serve the order and verified petition or affidavit without delay upon the defendant or agent, in the same manner as a summons is required to be served in a civil action in district court.

Sec. 9. Minnesota Statutes 1988, section 566.29, subdivision 1, is amended to read:

Subdivision 1. [ADMINISTRATOR.] The administrator may be ~~any~~ a person, other than an owner of the building, local government unit or agency, the inspector, the complaining tenant or any person living in the complaining tenant's dwelling unit. If a state, or court, ~~or local~~ agency is authorized by statute, ordinance or regulation to provide persons to act as administrators under this section, the court may appoint such persons as administrators to the extent they are available.

Sec. 10. Minnesota Statutes 1988, section 566.29, subdivision 4, is amended to read:

Subd. 4. [POWERS.] The administrator ~~shall be empowered~~ is authorized to:

(a) Collect rents from tenants and commercial tenants, evict tenants and commercial tenants for nonpayment of rent or other cause, rent vacant dwelling units on a month to month basis, rent vacant commercial units with the consent of the owner and exercise all other powers necessary and appropriate to carry out the purposes of Laws 1973, chapter 611;

(b) Contract for the reasonable cost of materials, labor and services necessary to remedy the violation or violations found by the court to exist and for the rehabilitation of the property in order to maintain safe and habitable conditions over the useful life of the property, and make disbursements for payment therefor from funds available for the purpose;

(c) Provide any services to the tenants which the owner is

obligated to provide but refuses or fails to provide, and pay for them from funds available for the purpose;

(d) Petition the court, after notice to the parties, for an order allowing the administrator to encumber the premise to secure funds to the extent necessary to cover the cost of materials, labor, and services necessary to remedy the violation or violations found by the court to exist and for rehabilitation of the property in order to maintain safe and habitable conditions over the useful life of the property; and to pay for them from funds derived from the encumbrance; and

(e) Petition the court, after notice to the parties, for an order allowing the administrator to receive funds made available for this purpose by the municipality to the extent necessary to cover the cost of materials, labor, and services necessary to remedy the violation or violations found by the court to exist and for rehabilitation of the property in order to maintain safe and habitable conditions over the useful life of the property, and pay for them from funds derived from the municipal sources. The municipality shall recover disbursements by special assessment on the real estate affected, bearing interest at the rate determined by the municipality, not exceeding the rate established for finance charges for open-end credit sales under section 334.16, subdivision 1, clause (b), with the assessment, interest and any penalties to be collected the same as special assessments made for other purposes under state statute or municipal charter.

Sec. 11. Minnesota Statutes 1988, section 566.29, is amended by adding a subdivision to read:

Subd. 6. [BUILDING REPAIRS AND SERVICES.] The administrator must first contract and pay for building repairs and services necessary to keep the building habitable before other expenses may be paid. If sufficient funds are not available for paying other expenses, such as tax and mortgage payments, after paying for necessary repairs and services, the owner is responsible for the other expenses.

Sec. 12. Minnesota Statutes 1988, section 566.29, is amended by adding a subdivision to read:

Subd. 7. [FUNDS GRANTED TO ADMINISTRATOR.] In considering whether to grant the administrator funds under subdivision 4, the court must consider factors relating to the long-term economic viability of the dwelling. Such an analysis must consider factors including, but not limited to, the causes leading to the appointment of an administrator, the repairs necessary to bring the property into code compliance, the market value of the property, and whether present and future rents will be sufficient to cover the cost of repairs or rehabilitation.

Sec. 13. Minnesota Statutes 1988, section 566.29, is amended by adding a subdivision to read:

Subd. 8. [ADMINISTRATOR'S LIABILITY.] The administrator may not be held personally liable in the performance of duties under this section except for misfeasance, malfeasance, or nonfeasance of office.

Sec. 14. [566.291] [RECEIVERSHIP REVOLVING LOAN FUND.]

The Minnesota housing finance agency may establish a revolving loan fund to pay the administrative expenses of receivership administrators under section 566.29 for properties for occupancy by low- and moderate-income persons or families. Property owners are responsible for repaying administrative expense payments made from the fund.

Sec. 15. [566.35] [ESCROW OF RENT TO REMEDY VIOLATIONS.]

Subdivision 1. [DEFINITIONS.] The definitions in section 566.18 apply to this section.

Subd. 2. [ESCROW OF RENT.] If a violation exists in a building, a tenant may deposit the amount of rent due to the owner with the court administrator using the following procedure:

(a) For a violation of section 566.18, subdivision 6, paragraph (a), the tenant may deposit with the court administrator the rent due to the owner along with a copy of the written notice of code violation provided in section 566.19, subdivision 2. The tenant may not deposit the rent or file the written notice of code violation until the time granted to make repairs has expired without satisfactory repairs being accomplished, unless the tenant alleges that the time granted is excessive.

(b) For a violation of section 566.18, subdivision 6, paragraph (b) or (c), the tenant shall give written notice to the owner specifying the violation. The notice must be delivered personally or sent to the person or place where rent is normally paid. If the violation is not corrected within 14 days, the tenant may deposit the amount of rent due to the owner with the court administrator along with an affidavit specifying the violation. The court shall provide a simplified form affidavit for use under this section.

As long as proceedings are pending under this section, the tenant shall pay rent as directed by the court and may not withhold rent in order to remedy a violation.

Subd. 3. [FILING FEE.] The court administrator may charge a

filing fee in the amount set for conciliation court subject to the filing of an inability to pay affidavit.

Subd. 4. [HEARING; NOTICE.] A hearing must be held within ten to 14 days of the day a tenant deposits rent with the court administrator. If the cost of remedying the violation, as estimated by the tenant, is within the jurisdictional limit for conciliation court, the court administrator shall notify the owner and the tenant of the time and place of the hearing by first class mail. The tenant shall provide the court administrator with the owner's name and address. If under section 504.22, the owner has disclosed a post office box as the owner's address, then notice of the hearing may be mailed to the post office box. If the cost of remedying the violation, as estimated by the tenant, is above the jurisdictional limit for conciliation court, the tenant must serve the notice of hearing according to the rules of civil procedure. The notice of hearing must specify the amount the tenant has deposited with the court administrator.

Subd. 5. [RELEASE OF RENT PRIOR TO HEARING.] If the tenant gives written notice to the court administrator that the code violation has been remedied, the court administrator shall release the rent to the owner and, unless the hearing has been consolidated with another action pending in housing court, shall cancel the hearing. If the tenant and the owner enter into a written agreement signed by both parties apportioning the rent between them, the court administrator shall release the rent in accordance with the written agreement and cancel the hearing.

Subd. 6. [CONSOLIDATION WITH UNLAWFUL DETAINER.] Actions under this section and actions brought under sections 566.01 to 566.17 which involve the same parties must be consolidated.

Subd. 7. [HEARING.] The hearing shall be conducted by a court without a jury. A certified copy of an inspection report meets the requirements of rule 803(8) of the Rules of Evidence as an exception to the rule against hearsay, and meets the requirements of rules 901 and 902 of the Rules of Evidence as to authentication.

Subd. 8. [JUDGMENT.] (a) Upon finding that a violation exists, the court may, in its discretion, do any or all of the following:

(1) order relief as provided in section 566.25, paragraph (a), (b), (d), or (e), including retroactive rent abatement;

(2) order that all or a portion of the rent in escrow be released for the purpose of remedying the violation;

(3) order that rent be deposited with the court as it becomes due to

the owner or abate future rent until the owner remedies the violation; or

(4) impose fines as required in section 16.

(b) Upon finding that a violation exists, the court shall order that any rent found owing the tenant must be returned to the tenant.

(c) Upon finding, after a hearing on the matter has been held, that no violation exists in the building, that the violation has been remedied, or that the tenant did not deposit the full amount of rent due with the court administrator, the court shall order the immediate release of the rent to the owner.

Sec. 16. [566.36] [VIOLATIONS OF BUILDING REPAIR ORDERS.]

Subdivision 1. [DEFINITIONS.] The definitions in section 566.18 apply to subdivision 2.

Subd. 2. [NONCOMPLIANCE; FINES.] Upon finding an owner has failed to comply with a court order for building repairs, the court shall fine the owner according to the following schedule:

(1) \$250 for the first violation;

(2) \$500 for the second violation; and

(3) \$750 for the third and subsequent violations.

The court must find that there has been a willful disregard of a court order before a fine may be imposed. An owner fined twice in a period of three years for failure to comply with a court order for repairs on any building owned is guilty of a gross misdemeanor for a third or subsequent violation and may be sentenced accordingly.

Subd. 3. [FINES COLLECTED.] Fines collected under this section in Hennepin county must be used for expenses of the fourth judicial district district court housing calendar consolidation project. Fines collected under this section in Ramsey county must be used for expenses of the second judicial district district court housing calendar consolidation project.

Sec. 17. Minnesota Statutes 1988, section 580.031, is amended to read:

580.031 [MINIMUM NOTICE.]

Subdivision 1. [EIGHT WEEKS' NOTICE.] Notwithstanding the provisions of any other law to the contrary and except as otherwise

provided in subdivision 2, eight weeks' published notice must be given prior to the foreclosure sale of a homestead to which sections 583.01 to 583.12 apply if the notice is published for the first time after May 24, 1983, and prior to May 1, 1985, after June 8, 1985, and prior to May 1, 1987, or after the effective date of Laws 1987, chapter 292, and prior to May 1, 1989. The notice must contain the information specified in section 580.04.

At least eight weeks before the appointed time of sale, a copy of the notice must be served upon the person in possession of the mortgaged premises, if the premises are actually occupied.

Subd. 2. [FOUR WEEKS' NOTICE.] Notwithstanding subdivision 1, four weeks' published notice must be given prior to the foreclosure sale of an abandoned nonagricultural residential dwelling consisting of less than five units. The notice must contain the information specified in section 580.04.

Sec. 18. Minnesota Statutes 1988, section 580.23, is amended by adding a subdivision to read:

Subd. 1a. [ABANDONED PROPERTY.] Notwithstanding subdivision 1, the mortgagor or the mortgagor's personal representatives or assigns, within one month after a sale, may redeem all abandoned nonagricultural residential dwellings consisting of less than five units.

Sec. 19. [HOUSING CALENDAR CONSOLIDATION PILOT PROJECT.]

Subdivision 1. [ESTABLISHMENT.] A three-year pilot project may be established in the second and fourth judicial districts to consolidate the hearing and determination of matters related to residential rental housing and to ensure continuity and consistency in the disposition of cases.

Subd. 2. [JURISDICTION.] The housing calendar project may consolidate the hearing and determination of all proceedings under Minnesota Statutes, chapters 504 and 566; criminal and civil proceedings related to violations of any state, county, or city health, safety, housing, building, fire prevention, or housing maintenance code; escrow of rent proceedings; landlord tenant damage actions; and actions for rent and rent abatement.

Subd. 3. [REFEREE.] The chief judge of each of the second and fourth judicial districts may appoint a referee for the housing calendar project. The referee shall be learned in the law and shall be compensated according to the same scale used for other referees in the district. Minnesota Statutes, section 484.70, subdivision 6, applies to the housing calendar project.

Subd. 4. [REFEREE DUTIES.] The duties and powers of the referee of the housing calendar project are as follows:

(1) hear and report all matters within the jurisdiction of the housing calendar project and as may be directed to the referee by the chief judge; and

(2) recommend findings of fact, conclusions of law, temporary and interim orders, and final orders for judgment.

All recommended orders and findings of the referee are subject to confirmation by a judge.

Subd. 5. [TRANSMITTAL OF COURT FILE.] Upon the conclusion of the hearing in each case, the referee must transmit to the district court judge the court file, together with the referee's recommended findings and orders in writing. The recommended findings and orders of the referee become the findings and orders of the court when confirmed by the district court judge. The order of the court is proof of the confirmation.

Subd. 6. [CONFIRMATION OF REFEREE ORDERS.] Review of a recommended order or finding of the referee by a district court judge may be had by notice served and filed within ten days of effective notice of the recommended order or finding. The notice of review must specify the grounds for the review and the specific provisions of the recommended findings or orders disputed, and the district court judge, upon receipt of the notice of review, shall set a time and place for the review hearing.

Subd. 7. [PROCEDURES.] The chief judge of each of the second and fourth judicial districts shall establish procedures for the implementation of the housing calendar project, including designation of a location for the hearings. The chief judge may also appoint other staff as necessary for the project.

Subd. 8. [EVALUATION.] The state court administrator shall establish a procedure in consultation with the chief judge of each of the second and fourth judicial districts and the district administrator for evaluating the efficiency and the effectiveness of consolidating the hearing of residential rental housing matters and shall report to the legislature by January 1, 1992. An advisory group shall be established in each of the second and fourth judicial districts to provide ongoing oversight and evaluation of the housing calendar project. The advisory group must be appointed by the chief judge of each district and must be composed of at least one representative from the following groups: the state court administrator's office, the district court administrator's office, the district judges, owners of rental property, and tenants.

## Sec. 20. [DEMONSTRATION PROJECT.]

The establishment of the housing calendar consolidation project under section 19 is a demonstration project to evaluate the effectiveness of coordinating the adjudication of all housing-related cases in one court.

## Sec. 21. [APPROPRIATION; HOUSING CALENDAR PILOT PROJECT.]

\$ ..... is appropriated from the general fund to the state court administrator to distribute to the second and fourth judicial districts to administer section 19. \$ ..... is appropriated to the state court administrator for evaluation of the housing calendar project under section 19, subdivision 8, to be available until July 1, 1991.

## Sec. 22. [REPEALER.]

Section 16, subdivision 3, and section 19 are repealed August 1, 1992.

## Sec. 23. [EFFECTIVE DATE.]

Section 19 is effective January 1, 1990."

Delete the title and insert:

"A bill for an act relating to housing; changing notice and redemption provisions for certain types of properties; revising certain tenant damage provisions in landlord-tenant actions; regulating tenant screening services; revising certain housing receivership provisions; establishing housing courts as demonstration projects in Hennepin and Ramsey counties; providing for rent escrow and building repair fines; imposing penalties; appropriating money; amending Minnesota Statutes 1988, sections 463.21; 504.255; 504.26; 566.175, subdivision 1; 566.29, subdivisions 1, 4, and by adding subdivisions; 580.031; and 580.23, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 504 and 566."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Financial Institutions and Housing.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 740, A bill for an act relating to education; changing the name of technical institutes to technical colleges; amending Minnesota Statutes 1988, section 136C.02, subdivision 2.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 820, A bill for an act relating to state government; regulating state employment practices; amending Minnesota Statutes 1988, sections 43A.02, subdivision 33; 43A.04, subdivision 3, and by adding a subdivision; 43A.10, subdivisions 7 and 8; 43A.12, subdivision 5; 43A.13, subdivisions 4, 5, 6, and 7; 43A.15, subdivision 10; 43A.18; subdivision 4; 43A.191, subdivisions 2 and 3; 43A.316, subdivision 5; 43A.37, subdivision 1; and 299D.03, subdivision 7; repealing Minnesota Statutes 1988, section 43A.081, subdivisions 1, 2, and 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 15A.081, subdivision 1, is amended to read:

Subdivision 1. [SALARY RANGES.] The governor shall set the salary rate within the ranges listed below for positions specified in this subdivision, upon approval of the legislative commission on employee relations and the legislature as provided by section 43A.18, subdivisions 2 and 5:

Salary Range  
Effective  
July 1, 1987 1989

~~\$57,500-\$78,500~~ \$63,250-\$86,350

Commissioner of finance;

Commissioner of education;

Commissioner of transportation;

Commissioner of human services;

Commissioner of revenue;

Executive director, state board of investment;

~~\$50,000 - \$67,500~~ \$55,000 - \$74,250

Commissioner of administration;

Commissioner of agriculture;

Commissioner of commerce;

Commissioner of corrections;

Commissioner of jobs and training;

Commissioner of employee relations;

Commissioner of health;

Commissioner of labor and industry;

Commissioner of natural resources;

Commissioner of public safety;

Commissioner of trade and economic development;

Chair, waste management board;

Chief administrative law judge; office of administrative hearings;

Commissioner, pollution control agency;

Commissioner, state planning agency;

Executive director, housing finance agency;

Executive director, public employees

retirement association;

Executive director, teacher's retirement association;

Executive director, state retirement system;

Chair, metropolitan council;

Chair, regional transit board;

~~\$42,500-\$60,000~~ \$46,750-\$66,000

Commissioner of human rights;

Commissioner, department of public service;

Commissioner of veterans' affairs;

Commissioner, bureau of mediation services;

Commissioner, public utilities commission;

Member, transportation regulation board;

Ombudsman for corrections;

Ombudsman for mental health and retardation.

Sec. 2. Minnesota Statutes 1988, section 15A.081, subdivision 7, is amended to read:

Subd. 7. [PART-TIME METROPOLITAN OFFICERS.] The governor shall set the salary rate within the range set forth below for the following part-time positions, upon approval of the legislative commission on employee relations and the legislature as provided by section 43A.18, subdivisions 2 and 5:

	Effective July 1, 1987 <u>1989</u>
Chair, metropolitan airports commission	<del>\$15,000-\$25,000</del> <u>\$16,500-\$27,500</u>
Chair, metropolitan waste control commission	<del>\$25,000-\$35,000</del> <u>\$27,500-\$38,500</u>

Fringe benefits for unclassified employees of the metropolitan waste control commission shall not exceed those fringe benefits received by unclassified employees of the metropolitan council.

Sec. 3. Minnesota Statutes 1988, section 15A.083, subdivision 4, is amended to read:

Subd. 4. [RANGES FOR OTHER JUDICIAL POSITIONS.] Salaries or salary ranges are provided for the following positions in the judicial branch of government. The appointing authority of any position for which a salary range has been provided shall fix the individual salary within the prescribed range, considering the qualifications and overall performance of the employee. The supreme court shall set the salary of the state court administrator and the salaries of district court administrators. The salary of the state court administrator or a district court administrator may not exceed the salary of a district court judge. If district court administrators die, the amounts of their unpaid salaries for the months in which their deaths occur must be paid to their estates. The salaries of the district administrators of the second, fourth, and sixth judicial districts may be supplemented by the appropriate county board in an amount not to exceed \$10,000 per year. The salary supplement may be made effective only until January 1, 1988. The salary of the state public defender shall be 95 percent of the salary of the attorney general.

	Salary or Range Effective July 1, 1987 <u>1989</u>
Board on judicial standards executive director	\$34,000-\$48,000 <u>\$37,400-\$52,800</u>

Sec. 4. Minnesota Statutes 1988, section 15A.083, subdivision 5, is amended to read:

Subd. 5. [TAX COURT.] Salaries of judges of the tax court shall be are the same as the base salary for district judges as provided in set under section 15A.082, subdivision 1 3.

Sec. 5. Minnesota Statutes 1988, section 15A.083, subdivision 7, is amended to read:

Subd. 7. [WORKERS' COMPENSATION COURT OF APPEALS AND COMPENSATION JUDGES.] Salaries of judges of the workers' compensation court of appeals shall be are 90 percent of the salary for district judges as provided in set under section 15A.082, subdivision 1 3. Salaries of compensation judges shall be are 75 percent of the salary of district court judges as provided in subdivision 1. The chief workers' compensation settlement judge at the department of labor and industry may be paid an annual salary that is up to five percent greater than the salary of workers' compensation settlement judges at the department of labor and industry.

Sec. 6. Minnesota Statutes 1988, section 43A.02, subdivision 33, is amended to read:

Subd. 33. [PROTECTED GROUPS.] "Protected groups" means females; ~~handicapped persons with disabilities~~; members of the following minorities: Black, Hispanic, Asian or Pacific Islander, American Indian or Alaskan native; and, until 1989, veterans who served in the military service of this country during the period from August 5, 1964 to May 7, 1975, and separated under honorable conditions from any branch of the armed forces of the United States after having served on active duty for 181 consecutive days or because of disability incurred while serving on active duty and who are permanent residents of the state of Minnesota.

Sec. 7. Minnesota Statutes 1988, section 43A.04, subdivision 1, is amended to read:

Subdivision 1. [STATEWIDE LEADERSHIP.] The commissioner shall be the chief personnel and labor relations manager of the civil service in the executive branch.

(a) Whenever any power or responsibility is given to the commissioner by any provision of Laws 1981, chapter 210, unless otherwise expressly provided, the power or authority shall apply to all employees of agencies in the executive branch and to employees in classified positions in the office of the legislative auditor, the Minnesota state retirement system, the public employees retirement association, and the teacher's retirement association. Unless otherwise provided by law, the power or authority shall not apply to unclassified employees in the legislative and judicial branches.

(b) The commissioner shall operate an information system from which personnel data, as defined in section 13.43, concerning employees and applicants for positions in the classified service can be retrieved.

The commissioner shall have access to all public and private personnel data kept by appointing authorities which will aid in the discharge of the commissioner's duties.

(c) The commissioner may consider and investigate any matters concerned with the administration of provisions of Laws 1981, chapter 210 and may order any remedial actions consistent with law.

(d) The commissioner has sole authority to settle state employee workers' compensation claims.

(e) The commissioner may assess all state entities for the costs of programs under section 15.46.

Sec. 8. Minnesota Statutes 1988, section 43A.04, subdivision 3, is amended to read:

Subd. 3. [RULES.] The commissioner shall ~~promulgate~~ adopt rules ~~pursuant to~~ under the administrative procedure act to implement the provisions of this chapter which that directly affect the rights of or processes available to the general public. The rules shall have the force and effect of law and shall may include but are not limited to:

(a) (1) the processes for determining the extent of competition for filling vacancies, for recruiting applicants, for conducting competitive open examinations, for ranking candidates and maintaining competitive open eligible lists, and for certification and appointment of eligibles from competitive open eligible lists;

(b) (2) the process for effecting noncompetitive and qualifying appointments;

(c) (3) the process for temporary designation of positions in the unclassified service and for effecting appointments to the unclassified service;

(d) (4) a statewide affirmative action program to include requirements for agency affirmative action plans, statewide policies and procedures, reporting requirements, accountability and responsibility of employees in the executive branch, and overall objectives of the program;

(e) (5) conditions under which moving and other expenses may be authorized and paid prior to appointment to persons who have accepted state employment;

(f) (6) procedures for administration of the code of ethics for employees of the executive branch; and

(g) (7) examination procedures for candidates with handicaps disabilities as described in section 43A.10, subdivision 8; and

(8) procedures or policies that affect the operation of or participation in the public employees insurance program.

Sec. 9. Minnesota Statutes 1988, section 43A.04, is amended by adding a subdivision to read:

Subd. 9. [EXPERIMENTAL OR RESEARCH PROJECTS.] The commissioner of employee relations may conduct experimental or research projects designed to improve recruitment, selection, referral, or appointment processes for the filling of state classified positions.

The commissioner shall meet and confer with the affected exclusive bargaining representative of state employees concerning the design and implementation of experimental and research projects under this subdivision.

Any provision in sections 43A.09 to 43A.15, associated personnel rules adopted under subdivision 3, or administrative procedures established under subdivision 4, is waived for the purposes of these projects. The number of appointments under this subdivision may not exceed five percent of the total number of appointments in the preceding fiscal year.

The commissioner shall report by September 1 to the legislative commission on employee relations the results of the experimental research projects conducted in the preceding fiscal year.

Sec. 10. Minnesota Statutes 1988, section 43A.10, subdivision 7, is amended to read:

Subd. 7. [EXAMINATION ACCOMMODATIONS.] Upon request, the commissioner shall provide examination accommodations to a candidate with a handicap disability that does not prevent performance of the duties of the class. The accommodations shall must provide an opportunity to fairly examine the ability of the candidate to perform the duties of the class notwithstanding the handicap disability but shall must preserve, to the extent feasible, the validity of the examination process and equitable comparison of examination scores with competitors without handicaps disabilities.

Sec. 11. Minnesota Statutes 1988, section 43A.10, subdivision 8, is amended to read:

Subd. 8. [ELIGIBILITY FOR QUALIFIED HANDICAPPED DISABLED EXAMINATIONS.] The commissioner shall establish examination procedures for candidates whose handicaps disabilities are of such a severe nature that the candidates are unable to demonstrate their abilities in competitive examination processes. The examination procedures shall must consist of up to 700 hours on-the-job trial work experience which will be in lieu of a competitive examination and for which the disabled person has the option of being paid or unpaid. Up to three persons with severe disabilities and their job coach shall may be allowed to demonstrate their job competence as a unit through the on-the-job trial work experience examination procedure. This work experience shall must be limited to candidates for appointment, promotion, or transfer who have a physical or mental impairment for which there is no reasonable accommodation in the examination process. Implementation of provisions of this subdivision shall may not be deemed a violation of other provisions of Laws 1981, chapter 210 or 363.

Sec. 12. Minnesota Statutes 1988, section 43A.12, subdivision 5, is amended to read:

Subd. 5. [QUALIFIED HANDICAPPED DISABLED LISTS.] On qualified ~~handicapped~~ disabled lists eligibles shall must be ranked in alphabetical order.

Sec. 13. Minnesota Statutes 1988, section 43A.13, subdivision 4, is amended to read:

Subd. 4. [COMPETITIVE OPEN.] (a) For positions to be filled by competitive open examination, the commissioner shall certify the first 20 eligibles on the list plus those eligibles having the same score as the 20th eligible certified.

(b) When the position to be filled by competitive open examination is in a class for which the initially established eligible list contained the names of more than 200 eligibles and that list has existed for more than 12 months and been referred to more than ten vacancies, the commissioner shall certify the first 40 eligibles on the list plus those eligibles having the same score as the 40th eligible certified.

Sec. 14. Minnesota Statutes 1988, section 43A.13, subdivision 5, is amended to read:

Subd. 5. [COMPETITIVE PROMOTIONAL.] For positions to be filled by competitive promotional examination limited to employees of one or more agencies or organizational units, the commissioner shall certify the first ten eligibles on the list plus those eligibles having the same score as the tenth eligible certified. For positions to be filled by competitive promotional examination extended to all employees of the civil service, the commissioner shall certify the first 20 eligibles on the list, plus those eligibles having the same score as the 20th eligible certified.

Sec. 15. Minnesota Statutes 1988, section 43A.13, subdivision 6, is amended to read:

Subd. 6. [QUALIFIED HANDICAPPED DISABLED.] For a position to be filled by qualified ~~handicapped~~ disabled examination, the commissioner shall certify only the one eligible who has successfully completed the examination processes provided in section 43A.10, subdivision 8 for the position.

Sec. 16. Minnesota Statutes 1988, section 43A.13, subdivision 7, is amended to read:

Subd. 7. [EXPANDED CERTIFICATION.] When the commissioner determines that a disparity as defined in rules exists between an agency's work force and its affirmative action plan approved in

accordance with section 43A.19, the commissioner shall ensure to the extent possible that eligibles who are members of the protected groups for which the disparity exists are certified for appointment. When fewer than two eligibles of each protected group for which a disparity has been determined to exist would be certified under subdivisions 4 and 5, the commissioner shall certify two eligibles from each protected group for which a disparity exists, or four from each group for which a disparity exists if the number of names referred has been increased under subdivision 4, paragraph (b). Implementation of this subdivision shall may not be deemed a violation of other provisions of Laws 1981, chapter 210 or 363.

Sec. 17. Minnesota Statutes 1988, section 43A.15, subdivision 10, is amended to read:

Subd. 10. [ROUTINE SERVICE AND ENTRY CLERICAL APPOINTMENTS.] The commissioner may authorize the administration of a qualifying selection process if a class is of a routine, service nature involving unskilled tasks, the performance of which cannot be directly related to qualifications beyond a minimum competency level. Appointing authorities may consider any candidate found so qualified for probationary appointment to such a position The commissioner may also authorize the administration of qualifying skill tests for entry level clerical positions as an alternative to certification from an eligible list as provided in section 43A.13.

Sec. 18. Minnesota Statutes 1988, section 43A.17, subdivision 1, is amended to read:

Subdivision 1. [SALARY LIMITS.] As used in subdivisions 1 to 8 9, "salary" means hourly, monthly, or annual rate of pay including any lump-sum payments and cost-of-living adjustment increases but excluding payments due to overtime worked, shift or equipment differentials, work out of class as required by collective bargaining agreements or plans established under section 43A.18, and back pay on reallocation or other payments related to the hours or conditions under which work is performed rather than to the salary range or rate to which a class is assigned.

The salary, as established in section 15A.081, of the head of a state agency in the executive branch is the upper limit of compensation in the agency. The salary of the commissioner of labor and industry is the upper limit of compensation of employees in the bureau of mediation services. However, if an agency head is assigned a salary that is lower than the current salary of another agency employee, the employee retains the salary, but may not receive an increase in salary as long as the salary is above that of the agency head. The commissioner may grant exemptions from these upper limits as provided in subdivisions 3 and 4.

Sec. 19. Minnesota Statutes 1988, section 43A.18, subdivision 4, is amended to read:

Subd. 4. [PLANS NOT ESTABLISHED BUT APPROVED BY COMMISSIONER.] Notwithstanding any other law to the contrary, total compensation for employees listed in this subdivision shall must be set by appointing authorities within the limits of compensation plans that have been approved by the commissioner before becoming effective. Compensation plans established under paragraphs (b), (c), and (d), must be approved by the legislature and the legislative commission on employee relations under subdivision 2 before becoming effective.

(a) Total compensation for employees who are not covered by a collective bargaining agreement in the offices of the governor, lieutenant governor, attorney general, secretary of state, state auditor, and state treasurer shall must be determined by the governor, lieutenant governor, attorney general, secretary of state, state auditor and state treasurer, respectively.

(b) Total compensation for unclassified positions pursuant to section 43A.08, subdivision 1, clause (h), in the higher education coordinating board, and in the state board of vocational technical education shall (i) not covered by a collective bargaining agreement must be determined by the state university board and the state board for community colleges, the higher education coordinating board, and the state board of vocational technical education, respectively.

(c) Total compensation for classified administrative law judges in the office of administrative hearings shall must be determined by the chief administrative law judge.

(d) Total compensation for unclassified positions not covered by a collective bargaining agreement in the higher education coordinating board and in the state board of vocational technical education must be determined by the higher education coordinating board and the state board of vocational technical education, respectively.

Sec. 20. Minnesota Statutes 1988, section 43A.18, subdivision 5, is amended to read:

Subd. 5. [GOVERNOR TO RECOMMEND CERTAIN SALARIES.] (a) The governor shall, by July 1 of each odd-numbered year, submit to the legislative commission on employee relations recommendations for salaries within the salary range for the positions listed in section 15A.081, subdivisions 1 and 7. The governor may also propose additions or deletions of positions from those listed.

(a) (b) Before submitting the recommendations, the governor shall

consult with the commissioner of administration, the commissioner of finance, and the commissioner of employee relations concerning the recommendations.

(b) (c) In making recommendations, the governor shall consider only the criteria established in subdivision 8 and may not shall take into account performance of individual incumbents. The governor shall establish an objective system for quantifying knowledge, abilities, duties, responsibilities, and accountabilities and in determining recommendations rate each position by this system.

(e) (d) Before the governor's recommended salaries take effect, the recommendations must be reviewed and approved, rejected, or modified by the legislative commission on employee relations and the legislature in the same manner as provided for the commissioner's plan in subdivision 2. The governor may also at any time propose changes in the salary rate of any positions covered by this subdivision, which must be submitted and approved in the same manner as provided in this subdivision.

(d) (e) The governor shall set the initial salary of a head of a new agency or a chair of a new metropolitan board or commission whose salary is not specifically prescribed by law after consultation with the commissioner, whose recommendation is advisory only. The amount of the new salary must be comparable to the salary of an agency head or commission chair having similar duties and responsibilities.

(e) (f) The salary of a newly appointed head of an agency or chair of a metropolitan agency listed in section 15A.081, subdivision 1 or 7, may be increased or decreased by the governor from the salary previously set for that position within 30 days of the new appointment after consultation with the commissioner. If the governor increases a salary under this paragraph, the governor shall submit the new salary to the legislative commission on employee relations and the full legislature for approval, modification, or rejection in the manner provided in section 43A.18, subdivision 2. If the legislature rejects an increased salary or adjourns without action during the following legislative session, the salary for the position reverts to the level in effect before the governor proposed the change.

Sec. 21. Minnesota Statutes 1988, section 43A.191, subdivision 2, is amended to read:

Subd. 2. [AGENCY AFFIRMATIVE ACTION PLANS.] (a) The head of each agency in the executive branch shall prepare and implement an agency affirmative action plan consistent with this section and rules issued under section 43A.04, subdivision 3.

(b) The agency plan must include a plan for the provision of reasonable accommodation in the hiring and promotion of qualified

handicapped disabled persons. The reasonable accommodation plan shall must consist of at least the following:

(1) procedures for compliance with section 363.03 and, where appropriate, regulations implementing United States Code, title 29, section 794, as amended through December 31, 1984, which is section 504 of the Rehabilitation Act of 1973, as amended;

(2) methods and procedures for providing reasonable accommodation for handicapped disabled job applicants, current employees, and employees seeking promotion; and

(3) provisions for funding reasonable accommodations.

(c) The agency plan must be prepared by the agency head with the assistance of the agency affirmative action officer and the director of equal employment opportunity. The council on disability shall provide assistance with the agency reasonable accommodation plan.

(d) An agency affirmative action plan may not be implemented without the commissioner's approval.

Sec. 22. Minnesota Statutes 1988, section 43A.191, subdivision 3, is amended to read:

Subd. 3. [SANCTIONS AND INCENTIVES.] (a) The director of equal employment opportunity shall annually audit the record of each agency to determine the rate of compliance with annual hiring goals of each goal unit and to evaluate the agency's overall progress toward its affirmative action goals and objectives.

(b) By March 1 of each year, the commissioner shall submit a report on affirmative action progress of each agency and the state as a whole to the governor and to the finance committee of the senate, the appropriations committee of the house of representatives, the governmental operations committees of both houses of the legislature, and the legislative commission on employee relations. The report must include noncompetitive appointments made under section 43A.08, subdivision 2a, or 43A.15, subdivisions 3 to 13, and cover each agency's rate of compliance with annual hiring goals. In addition, any agency that has not met its affirmative action hiring goals, that fails to make an affirmative action hire, or fails to justify its nonaffirmative action hire in 25 percent or more of the appointments made in the previous calendar year must be designated in the report as an agency not in compliance with affirmative action requirements.

(c) The commissioner shall study methods to improve the performance of agencies not in compliance with affirmative action requirements.

(d) The commissioner shall establish a program to recognize agencies that have made significant and measurable progress toward achieving affirmative action objectives.

Sec. 23. Minnesota Statutes 1988, section 43A.316, subdivision 5, is amended to read:

Subd. 5. [PUBLIC EMPLOYEE PARTICIPATION.] Participation in the plan is subject to the conditions in this subdivision.

(a) Each exclusive representative for an eligible employer determines whether the employees it represents shall participate in the plan. The exclusive representative ~~must~~ shall give the employer notice of intent to participate at least 90 days before the originally stated expiration date of the collective bargaining agreement in force preceding the collective bargaining agreement that covers the date of entry into the plan. The exclusive representative and the eligible employer shall give notice to the commissioner of the determination to participate in the plan at least 90 days prior to entry into the plan. Entry into the plan ~~shall~~ must be according to a schedule established by the commissioner.

(b) Employees not represented by exclusive representatives may become members of the plan upon a determination of an eligible employer to include these employees in the plan. Either all or none of the employer's unrepresented employees must participate. The eligible employer shall give at least 90 days' notice to the commissioner prior to entering the plan. Entry into the plan ~~shall~~ must be according to a schedule established by the commissioner.

(c) Participation in the plan ~~shall~~ must be for a three-year term if coverage begins in an even-numbered year and a four-year term if coverage begins in an odd-numbered year. Participation is automatically renewed for an additional four-year term unless the exclusive representative, or the employer for unrepresented employees, gives the commissioner notice of withdrawal at least 90 days prior to expiration of the participation period. A group that withdraws must wait two years before rejoining. An exclusive representative, or employer for unrepresented employees, may also withdraw if premiums increase 50 percent or more from one insurance year to the next.

(d) The exclusive representative shall give the employer notice of intent to withdraw to the commissioner at least 90 days before the originally stated expiration date of a the collective bargaining agreement that includes the date on which the term of participation expires.

(e) Each participating eligible employer shall notify the commissioner of names of individuals who will be participating within two weeks of the commissioner receiving notice of the parties' intent to

participate. The employer ~~must~~ shall also submit other information as required by the commissioner for administration of the plan.

Sec. 24. Minnesota Statutes 1988, section 43A.37, subdivision 1, is amended to read:

Subdivision 1. [CERTIFICATION.] Neither the commissioner of finance nor any other fiscal officer of this state shall may draw, sign, or issue, or authorize the drawing, signing, or issuing of any warrant on the treasurer or other disbursing officer of the state, nor shall may the treasurer or other disbursing officer of the state pay any salary or compensation to any person in the civil service, unless a payroll register for the salary or compensation containing the name of every person to be paid shall ~~bear~~ bears the certificate of the commissioner that the persons named in the payroll register have been appointed, as required by law, rules, or administrative procedures and that the salary or compensation is within the compensation plan fixed ~~pursuant to~~ by law. The appointing authority shall certify that all employees named in the payroll register are performing service as required by law. This provision shall does not apply to positions defined in section 43A.08, subdivision 1, clauses (g), (h), (i), (j), and ~~(k)~~ (l). Employees to whom this subdivision does not apply may be paid on the state's payroll system, and the appointing authority or fiscal officer submitting their payroll register shall be is responsible for the accuracy and legality of the payments.

Salary or compensation claims presented against existing appropriations, which have been deemed in violation of the provisions of this subdivision, may be certified for payment if, upon investigation, the commissioner determines the personal services for which payment is claimed actually have been rendered in good faith without collusion and without intent to defraud.

Sec. 25. Minnesota Statutes 1988, section 299D.03, subdivision 7, is amended to read:

Subd. 7. [DISCHARGE OF TROOPER.] Every A person employed and designated as a state trooper under and pursuant to the provisions of this section, after six months of continuous employment completing a probationary period, shall ~~continue~~ continues in service and ~~held~~ holds the position without demotion, until suspended, demoted, or discharged in the manner hereinafter provided in subdivisions 9 to 11 for one or more of the causes specified herein in subdivision 8. The probationary period is six months of continuous employment or another period of continuous employment, of no less than six months and no more than two years, to be determined by the commissioner of employee relations and the exclusive representative of the troopers through collective bargaining.

Sec. 26. [RATIFICATIONS.]

Subdivision 1. [RESIDENTIAL SCHOOLS.] The labor agreement between the state of Minnesota and the state residential schools education association, approved by the legislative commission on employee relations on October 11, 1988, is ratified.

Subd. 2. [HIGHER EDUCATION.] The salaries for the chancellor of the state university system, the chancellor of the community college system, the director of vocational technical education, and the executive director of the higher education coordinating board, approved by the legislative commission on employee relations on December 20, 1988, are ratified.

Subd. 3. [OTHER POSITIONS.] The salary plan for positions listed in Minnesota Statutes, section 15A.081, approved by the legislative commission on employee relations on December 20, 1988, is ratified.

**Sec. 27. [REVENUE SALARY.]**

Effective July 1, 1989, the salary of the commissioner of revenue is \$77,173 until modified under Minnesota Statutes, section 43A.18, subdivision 5.

**Sec. 28. [REPEALER.]**

Minnesota Statutes 1988, section 43A.081, subdivisions 1, 2, and 5, are repealed.

**Sec. 29. [EFFECTIVE DATES.]**

Sections 1 to 5, 18, 20, and 27 are effective July 1, 1989. Sections 25 and 26 are effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to state government; regulating state employment practices; regulating the setting of certain salaries; authorizing an alternative procedure for discharges of state troopers; ratifying certain salaries; amending Minnesota Statutes 1988, sections 15A.081, subdivisions 1 and 7; 15A.083, subdivisions 4, 5, and 7; 43A.02, subdivision 33; 43A.04, subdivisions 1, 3, and by adding a subdivision; 43A.10, subdivisions 7 and 8; 43A.12, subdivision 5; 43A.13, subdivisions 4, 5, 6, and 7; 43A.15, subdivision 10; 43A.17, subdivision 1; 43A.18, subdivisions 4 and 5; 43A.191, subdivisions 2 and 3; 43A.316, subdivision 5; 43A.37, subdivision 1; and 299D.03, subdivision 7; repealing Minnesota Statutes 1988, section 43A.081, subdivisions 1, 2, and 5."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 823, A bill for an act relating to exotic species of plants and animals; establishing an interagency task force.

Reported the same back with the following amendments:

Page 1, line 10, delete "An interagency" and insert "A"

Page 1, line 15, after the comma insert "the director or designee of the animal damage control program of the United States Department of Agriculture, the regional director or designee to the United States Fish and Wildlife Service,"

Amend the title as follows:

Page 1, line 3, delete "an interagency" and insert "a"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 832, A bill for an act relating to Ramsey county; authorizing the use of certain property for public purposes.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 849, A bill for an act relating to human services; encouraging increased efforts to collect child support for public and nonpublic assistance clients; presuming paternity when blood tests are 99 percent positive; excluding public assistance from income for maintenance and support determinations in divorce; establishing an

administrative process to obtain and enforce support orders; appropriating money; amending Minnesota Statutes 1988, sections 15A.083, by adding a subdivision; 256.979; 257.55, subdivision 1; 257.62, subdivision 5; 518.54, subdivision 6; 518.551, subdivision 10; 518.611, subdivision 4; 518.613; and 518.614, subdivision 1; repealing Minnesota Statutes 1988, section 518.613, subdivision 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, 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 found able to reimburse the county or state agency. ~~Except as provided in subdivision 4,~~ The order shall be effective for the period of time during which the recipient receives public assistance from any county or state agency and for five months thereafter. The order shall require support according to chapter 518. An order for continuing contributions is reinstated without further hearing upon notice to the parent by any county or state agency that assistance is again being provided for the child of the parent under sections 256.72 to 256.87. The notice shall be in writing and shall indicate that the parent may request a hearing for modification of the amount of support or maintenance.

Sec. 2. Minnesota Statutes 1988, section 257.55, subdivision 1, is amended to read:

Subdivision 1. [PRESUMPTION.] A man is presumed to be the biological father of a child if:

(a) He and the child's biological mother are or have been married to each other and the child is born during the marriage, or within 280 days after the marriage is terminated by death, annulment, declaration of invalidity, dissolution, or divorce, or after a decree of legal separation is entered by a court;

(b) Before the child's birth, he and the child's biological mother have attempted to marry each other by a marriage solemnized in apparent compliance with law, although the attempted marriage is or could be declared void, voidable, or otherwise invalid, and,

(1) if the attempted marriage could be declared invalid only by a court, the child is born during the attempted marriage, or within 280 days after its termination by death, annulment, declaration of invalidity, dissolution or divorce; or

(2) if the attempted marriage is invalid without a court order, the child is born within 280 days after the termination of cohabitation;

(c) After the child's birth, he and the child's biological mother have married, or attempted to marry, each other by a marriage solemnized in apparent compliance with law, although the attempted marriage is or could be declared void, voidable, or otherwise invalid, and,

(1) he has acknowledged his paternity of the child in writing filed with the state registrar of vital statistics;

(2) with his consent, he is named as the child's father on the child's birth certificate; or

(3) he is obligated to support the child under a written voluntary promise or by court order;

(d) While the child is under the age of majority, he receives the child into his home and openly holds out the child as his biological child; or

(e) He and the child's biological mother acknowledge his paternity of the child in a writing signed by both of them under section 257.34 and filed with the state registrar of vital statistics. If another man is presumed under this clause to be the child's father, acknowledgment may be effected only with the written consent of the presumed father or after the presumption has been rebutted.

(f) Evidence of statistical probability of paternity based on blood testing establishes that the likelihood that the man is the father of the child, calculated with a prior probability of no more than 0.5 (50 percent), is 99 percent or greater.

Sec. 3. Minnesota Statutes 1988, section 257.57, subdivision 1, is amended to read:

Subdivision 1. A child, the child's biological mother, or a man presumed to be the child's father under section 257.55, subdivision 1, clause (a), (b), or (c) may bring an action:

(a) At any time for the purpose of declaring the existence of the father and child relationship presumed under section 257.55, subdivision 1, clause (a), (b), or (c); or

(b) Within three years after the child's birth for the purpose of declaring the nonexistence of the father and child relationship presumed under section 257.55, subdivision 1, clause (a), (b), or (c) only if the action is brought within a reasonable time after the person bringing the action has obtained knowledge of relevant facts,

but in no event later than three years after the child's birth. However, if the presumed father was divorced from the child's mother after service by publication, and, if, on or before the 280th day after the judgment and decree of divorce or dissolution became final, he did not know that the child was born during the marriage or within 280 days after the marriage was terminated, the action is not barred until one year after the child reaches the age of majority. After the presumption has been rebutted, paternity of the child by another man may be determined in the same action, if he has been made a party.

Sec. 4. Minnesota Statutes 1988, section 257.62, subdivision 5, is amended to read:

Subd. 5. [POSITIVE TEST RESULTS.] (a) If the results of the blood tests completed in a laboratory accredited by the American Association of Blood Banks indicate that the likelihood of the alleged father's paternity, calculated with a prior probability of no more than 0.5 (50 percent), is more than 92 percent or greater, upon motion the court shall order the alleged father to pay temporary child support determined according to chapter 518. The alleged father shall pay the support money into court pursuant to the rules of civil procedure to await the results of the paternity proceedings.

(b) If the results of blood tests completed in a laboratory accredited by the American Association of Blood Banks indicate that likelihood of the alleged father's paternity, calculated with a prior probability of no more than 0.5 (50 percent), is 99 percent or greater, the alleged father is presumed to be the parent and the party opposing the establishment of the alleged father's paternity has the burden of proving by clear and convincing evidence that the alleged father is not the father of the child.

Sec. 5. Minnesota Statutes 1988, section 518.54, subdivision 6, is amended to read:

Subd. 6. [INCOME.] "Income" means any form of periodic payment to an individual including, but not limited to, wages, salaries, payments to an independent contractor, workers' compensation, unemployment compensation, annuity, military and naval retirement, pension and disability payments. Benefits received under sections 256.72 to 256.87 and chapter 256D are not income under this section.

Sec. 6. Minnesota Statutes 1988, section 518.551, subdivision 10, is amended to read:

Subd. 10. [ADMINISTRATIVE PROCESS FOR CHILD AND MEDICAL SUPPORT PILOT PROJECT ORDERS.] A pilot project An administrative process is established to obtain, modify, and enforce child and medical support orders and maintenance through

administrative process, to evaluate the efficiency of the administrative process. The pilot project shall begin when the procedures have been established and end on June 30, 1989.

During the pilot project, The commissioner of human services may designate counties to participate in the administrative process established by this section. All proceedings for obtaining, modifying, or enforcing child and medical support orders and maintenance and adjudicating uncontested parentage proceedings, required to be conducted in Dakota county counties designated by the commissioner of human services in which Dakota the county human services agency is a party or represents a party to the action must be conducted by an administrative law judge from the office of administrative hearings, except for the following proceedings:

- (1) adjudication of paternity contested parentage;
- (2) motions to set aside a paternity adjudication or declaration of parentage;
- (3) evidentiary hearing on contempt motions; and
- (4) motions to sentence or to revoke the stay of a jail sentence in contempt proceedings.

An administrative law judge may hear a stipulation reached on a contempt motion, but any stipulation that involves a finding of contempt and a jail sentence, whether stayed or imposed, shall require the review and signature of a county or district judge.

For the purpose of this pilot project process, all powers, duties, and responsibilities conferred on judges of the county or district court to obtain and enforce child and medical support obligations, subject to the limitation set forth herein, are conferred on the administrative law judge conducting the proceedings, including the power to issue orders to show cause and to issue bench warrants for failure to appear.

During fiscal year 1988 Before implementing the process in a county, the chief administrative law judge, the commissioner of human services, the director of Dakota the county human services agency, the Dakota county attorney, and the clerk of the Dakota county court administrator shall jointly establish procedures and the county shall provide hearing facilities for the implementation of implementing this pilot project process in a county.

Nonattorney employees of Dakota county human services the public agency responsible for child support in the counties designated by the commissioner, acting at the direction of the county attorney, may prepare, sign, serve, and file complaints and motions

for obtaining, modifying, or enforcing child and medical support orders and maintenance and related documents, appear at prehearing conferences, and participate in proceedings before an administrative law judge. This activity shall not be considered to be the unauthorized practice of law.

For the purpose of this pilot project, The hearings shall be conducted under the conference contested case rules adopted by the chief administrative law judge. Any discovery required in a proceeding shall be conducted under the rules of family court and the rules of civil procedure, rules of the office of administrative hearings, Minnesota Rules, parts 1400.7100 to 1400.7500, 1400.7700, and 1400.7800, as adopted by the chief administrative law judge. All other aspects of the case, including, but not limited to, pleadings, discovery, and motions, shall be conducted under the rules of family court, the rules of civil procedure and chapter 518. The administrative law judge shall make findings of fact, conclusions, and a final decision and issue an order. Orders issued by an administrative law judge shall be are enforceable by the contempt powers of the county or and district courts.

The administrative law judge shall make a report to the chief administrative law judge or the chief administrative law judge's designee, stating findings of fact and conclusions and recommendations concerning the proposed action, in accordance with sections 14.48 to 14.56. The chief administrative law judge or a designee shall render the final decision and order in accordance with sections 14.61 and 14.62. The decision and order of the chief administrative law judge or a designee shall be a final agency decision for purposes of sections 14.63 to 14.69.

Sec. 7. Minnesota Statutes 1988, section 518.611, subdivision 4, is amended to read:

Subd. 4. [EFFECT OF ORDER.] Notwithstanding any law to the contrary, the order is binding on the employer, trustee, or other payor of the funds when service under subdivision 2 has been made. Withholding must begin no later than the first pay period that occurs after 14 days following the date of the notice. An employer or other payor of funds in this state is required to withhold income according to court orders for withholding issued by other states or territories. The payor shall withhold from the income payable to the obligor the amount specified in the order and amounts required under subdivision 2, paragraph (b) and section 518.613 and shall remit, within ten days of the date the obligor is paid the remainder of the income, the amounts withheld to the public authority. The payor shall identify on the remittance information the date the obligor is paid the remainder of the income. Employers may combine all amounts withheld from one pay period into one payment to each public authority, but shall separately identify each obligor making payment. Amounts received by the public authority which are in

excess of public assistance expended for the party or for a child shall be remitted to the party. An employer shall not discharge, or refuse to hire, or otherwise discipline an employee as a result of a wage or salary withholding authorized by this section. The employer or other payor of funds shall be liable to the obligee for any amounts required to be withheld.

Sec. 8. Minnesota Statutes 1988, section 518.613, subdivision 1, is amended to read:

Subdivision 1. [GENERAL.] Notwithstanding any provision of section 518.611, subdivision 2 or 3, to the contrary, whenever an obligation for child support or maintenance, enforced by the public authority, is initially determined and ordered or modified by the court in a county in which this section applies, the amount of child support or maintenance ordered by the court must be withheld from the income, regardless of source, of the person obligated to pay the support.

Sec. 9. Minnesota Statutes 1988, section 518.613, subdivision 2, is amended to read:

Subd. 2. [ORDER; COLLECTION SERVICES.] Every order for child support must include the obligor's social security number and the name and address of the obligor's employer or other payor of funds. Upon entry of the order for support or maintenance, the court shall mail a copy of the court's automatic income withholding order and the provisions of section 518.611 and this section to the obligor's employer or other payor of funds and to the public ~~agency~~ authority responsible for child support enforcement. An obligee who is not a recipient of public assistance shall apply for the collection services of the public authority when an order for support is entered. No later than January 1, 1990, the supreme court shall develop a standard automatic income withholding form to be used by all Minnesota courts. This form shall be made a part of the order for support by reference.

Sec. 10. Minnesota Statutes 1988, section 518.613, subdivision 4, is amended to read:

Subd. 4. [APPLICATION.] On and after August 1, 1987, and prior to August 1, 1989, this section applies in a county selected under Laws 1987, chapter 403, article 3, section 93 and in a county that chooses to have this section apply by resolution of a majority vote of its county board. On and after May 1, 1990, this section applies to all child support and maintenance obligations that are initially ordered or modified on and after May 1, 1990, and that are being enforced by the public authority.

Sec. 11. Minnesota Statutes 1988, section 518.613, is amended by adding a subdivision to read:

Subd. 6. [NOTICE OF SERVICES.] The department of human services shall prepare and make available to the courts a form notice of child support and maintenance collection services available through the public authority responsible for child support enforcement, including automatic income withholding under this section. Promptly upon the filing of a petition for dissolution of marriage or legal separation by parties who have a minor child, the court administrator shall send the form notice to the petitioner and respondent at the addresses given in the petition. The rulemaking provisions of chapter 14 shall not apply to the preparation of the form notice.

Sec. 12. [APPROPRIATION.]

\$600,000 is appropriated from the general fund in fiscal year 1990 and \$2,000,000 is appropriated from the general fund in fiscal year 1991 to the commissioner of human services to increase the amount of money distributed as child support collection incentive awards in accordance with Minnesota Rules, parts 9500.1800 to 9500.1821.

Sec. 13. [REPEALER.]

Minnesota Statutes 1988, sections 256.87, subdivision 4, and 518.613, subdivision 5, are repealed.

Sec. 14. [EFFECTIVE DATE; APPLICATION.]

Section 6 is effective July 1, 1989. Section 3 is effective the day following final enactment and applies to actions brought after January 1, 1986."

Delete the title and insert:

"A bill for an act relating to human services; presuming paternity when blood tests are 99 percent positive; extending the time for bringing certain actions; excluding public assistance from income for maintenance and support determinations in divorce; establishing an administrative process to obtain and enforce support orders; appropriating money; amending Minnesota Statutes 1988, sections 256.87, subdivision 1a; 257.55, subdivision 1; 257.57, subdivision 1; 257.62, subdivision 5; 518.54, subdivision 6; 518.551, subdivision 10; 518.611, subdivision 4; and 518.613, subdivisions 1, 2, 4, and by adding a subdivision; repealing Minnesota Statutes 1988, sections 256.87, subdivision 4; and 518.613, subdivision 5."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Health and Human Services.

The report was adopted.

Begin from the Committee on Labor-Management Relations to which was referred:

H. F. No. 882, A bill for an act relating to employment; providing for severance pay and insurance coverage to certain terminated employees; requiring employers to provide advance notice of certain actions related to plant closings and mass layoffs; appropriating money; amending Minnesota Statutes 1988, section 268.07, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 268A.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 268.07, subdivision 2, is amended to read:

Subd. 2. [WEEKLY BENEFIT AMOUNT AND DURATION.] (a) To establish a benefit year for unemployment insurance benefits, effective after January 1, 1988, and thereafter, an individual must have:

(1) wage credits in two or more calendar quarters of the individual's base period;

(2) minimum total base period wage credits equal to the high quarter wages multiplied by 1.25;

(3) high quarter wage credits of not less than \$1,000; and

(4) wage credits in 15 or more calendar weeks in the base period.

(b) If the commissioner finds that an individual has sufficient wage credits and weeks worked within the base period to establish a valid claim, the weekly benefit amount payable to the individual during the individual's benefit year shall be equal to  $\frac{1}{26}$  of the individual's high quarter wage credits, rounded to the next lower whole dollar.

(c) Notwithstanding paragraph (b), the maximum weekly benefit amount of claims for benefits which establish a benefit year subsequent to July 1, 1979, shall be a percentage of the average weekly wage as determined under paragraphs (d) and (e).

(d) On or before June 30 of each year the commissioner shall determine the average weekly wage for purposes of paragraph (c) paid by employers subject to sections 268.03 to 268.24 in the following manner:

(1) The sum of the total monthly employment reported for the previous calendar year shall be divided by 12 to determine the average monthly employment. —

(2) The sum of the total wages reported for the previous calendar year shall be divided by the average monthly employment to determine the average annual wage.

(3) The average annual wage shall be divided by 52 to determine the average weekly wage.

(e) The maximum weekly benefit amount for any claim filed during the 12-month period subsequent to June 30 of any year shall be determined on the basis of the unemployment fund balance on December 31 of the preceding year. If the fund balance is less than \$70,000,000 on that date, the maximum weekly benefit amount shall be 66 $\frac{2}{3}$  percent of the average weekly wage; if the fund balance is more than \$70,000,000 but less than \$100,000,000, the maximum weekly benefit amount is 66 percent of the average weekly wage; if the fund balance is more than \$100,000,000 but less than \$150,000,000, the maximum weekly benefit amount is 65 percent of the average weekly wage; if the fund balance is more than \$150,000,000 but less than \$200,000,000, the maximum weekly benefit amount is 64 percent of the average weekly wage; if the fund balance is more than \$200,000,000 but less than \$250,000,000, the maximum weekly benefit amount is 63 percent of the average weekly wage; if the fund balance is more than \$250,000,000 but less than \$300,000,000, the maximum weekly benefit amount is 62 percent of the average weekly wage; if the fund balance is more than \$300,000,000 but less than \$350,000,000, the maximum weekly benefit amount is 61 percent of the average weekly wage; if the fund balance is more than \$350,000,000, the maximum weekly benefit amount is 60 percent. The maximum weekly benefit amount as determined under this paragraph computed to the nearest whole dollar shall apply to claims for benefits which establish a benefit year which begins subsequent to June 30 of each year.

(f) Any eligible individual shall be entitled during any benefit year to a total amount of benefits equal to one-third of the individual's total base period wage credits rounded to the next lower dollar, not to exceed 26 times the individual's weekly benefit amount.

(g) Each eligible individual who is unemployed in any week shall be paid with respect to such week a benefit in an amount equal to the individual's weekly benefit amount less that part of the individual's earnings, including holiday pay, payable to the individual with respect to such week which is in excess of \$200 for earnings from service in the national guard or a United States military reserve unit and the greater of \$25 or 25 percent of the earnings in other work; provided that no deduction may be made from the weekly

benefit amount for earnings from service as a volunteer firefighter or volunteer ambulance service personnel. Jury duty pay is and severance pay received under section 9 are not considered as earnings and shall not be deducted from benefits paid. Such benefit, if not a whole dollar amount shall be rounded down to the next lower dollar amount.

Sec. 2. [268A.01] [DEFINITIONS.]

Subdivision 1. [SCOPE.] For the purposes of sections 2 to 11, the terms defined in this section have the meanings given them.

Subd. 2. [EMPLOYER.] "Employer" means a person, partnership, corporation, state, county, municipality, or other legal entity that owns or operates a facility within this state and employs (1) 50 or more employees, excluding part-time employees; or (2) 50 or more employees who in the aggregate work at least 2,000 hours per week exclusive of hours of overtime. Employer does not include the federal government or an organization that is exempt from taxation under section 501 of the Internal Revenue Code of 1986, as amended through December 31, 1988.

Subd. 3. [PLANT CLOSING.] "Plant closing" means the permanent or temporary shutdown of a single site of employment, or one or more facilities or operating units within a single site of employment if the shutdown results in an employment loss at the single site of employment during any 30-day period for 25 or more employees excluding any part-time employees.

Subd. 4. [MASS LAYOFF.] "Mass layoff" means a reduction in force that:

(1) is not the result of a plant closing; and

(2) results in an employment loss at the single site of employment during any 30-day period for at least:

(i) 33 percent of the employees, excluding any part-time employees, and at least 25 employees, excluding any part-time employees; or

(ii) 250 employees, excluding any part-time employees.

Subd. 5. [REPRESENTATIVE.] "Representative" means an exclusive representative of employees within the meaning of section 9(a) or 8(f) of the National Labor Relations Act, United States Code, title 29, section 159(a) or 158(f); section 2 of the Railway Labor Act, United States Code, title 45, section 152; or Minnesota Statutes, section 179A.03, subdivision 8.

Subd. 6. [AFFECTED EMPLOYEES.] "Affected employees" means employees, including part-time employees, who may reasonably be expected to experience an employment loss as a consequence of a proposed plant closing or mass layoff by their employer.

Subd. 7. [EMPLOYMENT LOSS.] "Employment loss" means:

(1) an employment termination, other than a discharge for cause, voluntary departure, or retirement;

(2) a layoff exceeding six months; or

(3) a reduction in hours of work of more than 50 percent during each month of any six-month period.

Subd. 8. [UNIT OF LOCAL GOVERNMENT.] "Unit of local government" means any general purpose political subdivision of the state that has the power to levy taxes and spend funds, as well as general corporate and police powers.

Subd. 9. [PART-TIME EMPLOYEE.] "Part-time employee" means an employee who is employed for an average of fewer than 20 hours per week or who has been employed for fewer than six of the 12 months preceding the date on which notice is required.

Sec. 3. [268A.02] [NOTICE REQUIRED BEFORE PLANT CLOSINGS AND MASS LAYOFFS.]

Subdivision 1. [NOTICE TO EMPLOYEES, STATE DISLOCATED WORKER UNITS, AND LOCAL GOVERNMENTS.] An employer may not order a plant closing or mass layoff until the end of a 120-day period after the employer serves written notice of the order to:

(1) each representative of the affected employees as of the time of the notice, and to each affected employee; and

(2) the state dislocated worker unit designated or created under the federal Economic Dislocation and Worker Adjustment Act and the chief elected official of the unit of local government within which the closing or layoff is to occur. If there is more than one unit, the unit of local government that the employer shall notify is the unit of local government to which the employer pays the highest taxes for the year preceding the year for which the determination is made.

Subd. 2. [REDUCTION OF NOTIFICATION PERIOD.] (a) An employer may order a plant closing or mass layoff at a single site of employment before the conclusion of the 120-day period if, as of the time that notice would have been required, the employer was actively seeking capital or business which, if obtained, would have

enabled the employer to avoid or postpone the closing or mass layoff and the employer reasonably and in good faith believed that giving the notice required would have precluded the employer from obtaining the needed capital or business.

(b)(1) An employer may order a plant closing or mass layoff before the conclusion of the 120-day period if the closing or mass layoff is caused by business circumstances that were not reasonably foreseeable at the time the notice would have been required.

(2) No notice under this chapter is required if the plant closing or mass layoff is due to any form of natural disaster, such as a flood, earthquake, or drought.

(c) An employer relying on this subdivision shall give as much notice as is practicable and at that time shall give a brief statement of the basis for reducing the notification period.

Subd. 3. [EXTENSION OF LAYOFF PERIOD.] A layoff of more than six months that at its outset was announced to be a layoff of six months or less is an employment loss under this chapter unless:

(1) the extension beyond six months is caused by business circumstances, including unforeseeable changes in price or cost not reasonably foreseeable at the time of the initial layoff; and

(2) notice is given at the time it becomes reasonably foreseeable that the extension beyond six months will be required.

Subd. 4. [DETERMINATIONS WITH RESPECT TO EMPLOYMENT LOSS.] For purposes of this section, in determining whether a plant closing or mass layoff has occurred or will occur, employment losses for two or more groups at a single site of employment, each of which is less than the minimum number of employees specified in section 2, subdivision 3 or 4, but that in the aggregate exceed the minimum number, and that occur within any 90-day period shall be considered to be a plant closing or mass layoff unless the employer demonstrates that the employment losses are the result of separate and distinct actions and causes and are not an attempt by the employer to evade the requirements of this chapter.

Subd. 5. [NOTICE WHEN BUSINESS SOLD.] In the case of a sale of part or all of an employer's business, the seller is responsible for providing notice for any plant closing or mass layoff up to and including the effective date of the sale. After the effective date of the sale of part or all of an employer's business, the purchaser is responsible for providing notice for any plant closing or mass layoff. Notwithstanding any other provision of this chapter, a person who is an employee of the seller, other than a part-time employee, as of

the effective date of the sale shall be considered an employee of the purchaser immediately after the effective date of the sale.

Sec. 4. [268A.03] [EXEMPTIONS.]

This chapter shall not apply to a plant closing or mass layoff if the closing is of a temporary facility or the closing or layoff is the result of the completion of a particular project or undertaking, and the affected employees were hired with the understanding that their employment was limited to the duration of the facility, project, or undertaking.

An employee is not considered to have experienced an employment loss if the closing or layoff is the result of the relocation or consolidation of part or all of the employer's business and prior to the closing or layoff:

(1) the employer offers to transfer the employee to a different site of employment within a reasonable commuting distance with no more than a six-month break in employment; or

(2) the employer offers to transfer the employee to any other site of employment regardless of distance with no more than a six-month break in employment, and the employee accepts within 30 days of the offer or of the closing or layoff, whichever is later.

Sec. 5. [268A.04] [PROCEDURES IN ADDITION TO OTHER RIGHTS OF EMPLOYEES.]

The rights and remedies provided to employees by this chapter are in addition to, and not in lieu of, any other contractual or statutory rights and remedies of the employees, and are not intended to alter or affect the rights and remedies, except that the period of notification required by this chapter shall run concurrently with any period of notification required by contract or by other statute.

Sec. 6. [268A.05] [PROCEDURES ENCOURAGED WHERE NOT REQUIRED.]

It is the sense of the Minnesota legislature that an employer who is not required to comply with the notice requirements of section 3 should, to the extent possible, provide notice to its employees about a proposal to close a plant or permanently reduce its work force.

Sec. 7. [268A.06] [RULES.]

The commissioner of jobs and training shall adopt rules necessary to carry out this chapter. The rules shall, at a minimum, include rules describing the methods by which employers may provide for appropriate service of notice as required by this chapter.

The rules shall provide that the mailing of notice to an employee's last known address or inclusion of notice in the employee's paycheck is an acceptable method for fulfillment of the employer's obligation to give notice to each affected employee under this chapter.

Sec. 8. [268A.07] [EFFECT ON OTHER LAWS.]

The giving of notice under this chapter, if done in good faith, shall not constitute a violation of chapter 179A.

Sec. 9. [268A.08] [SEVERANCE PAYMENT.]

Subdivision 1. [SEVERANCE PAYMENT.] Each employer owning or operating a facility engaged in a plant closing or mass layoff shall make a severance payment to an affected employee who is terminated if the affected employee has been employed by the employer for two or more years. The payment may, at the option of the employer, be made before or at the termination of the affected employee. The severance payment must be equal to the gross weekly wage of the affected employee at the time of termination, multiplied by the number of full and partial years for which the employee has been employed by the employer. For an affected employee whose gross weekly wage has been reduced within one year of a plant closing as a result of a reduction in the average weekly number of hours worked by the employee, the severance payment must be equal to the affected employee's gross weekly wage before the reduction in the average weekly number of hours worked, multiplied by the number of full and partial years for which the employee has been employed by the employer.

Subd. 2. [OTHER PAYMENTS.] Vacation pay, accrued wages, and other types of payments made for a reason other than as compensation for termination of employment are not severance payments under subdivision 1.

Subd. 3. [HEALTH CARE COVERAGE.] Each employer commencing a plant closing or mass layoff shall continue any existing employer-paid health insurance plan for each affected employee for at least 120 days after the plant closing or mass layoff, unless the employee elects to terminate coverage. During the 120 days, the employer must pay at least the same portion of the premium that the employer paid before termination of the affected employee. The employer shall also continue to make the health insurance plan available to affected employees as required in section 62A.17 or in federal law. The employer's obligation under this subdivision ends when an affected employee obtains coverage through new employment or receives equivalent coverage as a dependent.

Sec. 10. [268A.09] [PRIORITY OF CLAIMS.]

A money claim on behalf of an affected employee against an employer engaged in a plant closing or mass layoff has priority over all other claims against an employer, except wage claims.

Sec. 11. [268A.10] [ENFORCEMENT; DAMAGES.]

Subdivision 1. [AGGRIEVED EMPLOYEE.] For the purposes of this section, "aggrieved employee" means an employee who did not receive timely notice either directly or through a representative as required under section 3 because of the failure by the employer to comply with section 3, or an employee who was denied benefits due under section 9.

Subd. 2. [LIABILITY; FAILURE TO PROVIDE NOTICE.] An employer who orders a plant closing or mass layoff in violation of section 3 is liable to each aggrieved employee who suffers an employment loss as a result of the closing or layoff for:

(1) back pay for each day of violation at a rate of compensation not less than the higher of:

(i) the average regular rate received by the employee during the last three years of the employee's employment; or

(ii) the final regular rate received by the employee; and

(2) benefits under an employee benefit plan described in section 3(3) of the Employee Retirement Income Security Act of 1974, United States Code, title 29, section 1002(3), including the cost of medical expenses incurred during the employment loss that would have been covered under an employee benefit plan if the employment loss had not occurred.

The liability shall be calculated for the period of the violation, up to a maximum of 120 days, but in no event for more than one-half the number of days the employee was employed by the employer. The period of the violation means the number of days that notice was required under section 3 and not provided, beginning on the date that the employment terminates.

Subd. 3. [REDUCTIONS IN LIABILITY.] The amount for which an employer is liable under subdivision 1 shall be reduced by:

(1) wages paid by the employer to the employee for the period of the violation, not including payment of severance, retirement, vacation, or other similar benefits;

(2) voluntary and unconditional payment by the employer to the employee that is not required by any legal obligation; and

(3) payment by the employer to a third party or trustee, such as premiums for health benefits or payments to a defined contribution pension plan, on behalf of and attributable to the employee for the period of the violation.

In addition, liability incurred under subdivision 1 with respect to a defined benefit pension plan may be reduced by crediting the employee with service for all purposes under the plan for the period of the violation.

Subd. 4. [PAYMENT TO LOCAL GOVERNMENT.] An employer who violates section 3 with respect to a unit of local government shall be subject to a civil penalty of not more than \$500 for each day of violation, except that the penalty shall not apply if the employer pays to each aggrieved employee the amount for which the employer is liable to that employee within three weeks from the date the employer orders the shutdown or layoff.

Subd. 5. [LIABILITY; SEVERANCE.] An employer who fails to provide the benefits required under section 9 is liable to the employee for all damages recoverable at law caused by a violation of section 9.

Subd. 6. [COURT ACTION.] (a) In addition to any other remedy provided by law, an aggrieved employee, representative, or unit of local government may bring an action to enforce liability under this section on behalf of an individual, entity, or for others similarly situated. The action may be brought in a district court in the district where the violation is alleged to have occurred or in any district where the employer transacts business.

(b) In any suit under this section, the court may award injunctive or other equitable relief. In addition, the court may award reasonable attorney's fees as part of the costs, to a prevailing employee, employee representative, or unit of local government.

Subd. 7. [ATTORNEY GENERAL.] The courts of this state are vested with jurisdiction to prevent and restrain violations of sections 2 to 11. After satisfaction that sections 2 to 11 have been, are being, or are about to be violated, the attorney general shall be entitled on behalf of the state to:

(1) sue for and have injunctive relief in a court of competent jurisdiction against a violation or threatened violation without abridging the penalties provided by law; and

(2) sue for and recover for the state, from any person who is found to have violated sections 2 to 11, a civil penalty in an amount to be determined by the court, not to exceed \$25,000.

All sums recovered by the attorney general under this subdivision shall be deposited in the general fund of the state treasury and annually appropriated to the commissioner of jobs and training to carry out the commissioner's duties under this chapter.

Subd. 8. [GOOD FAITH DEFENSE.] If an employer who has violated this chapter proves to the satisfaction of the court that the act or omission that violated this chapter was in good faith and that the employer had reasonable grounds for believing that the act or omission was not a violation of this chapter, the court may, in its discretion, reduce the amount of the liability or penalty provided for in this section.

Sec. 12. [APPROPRIATION.]

For the biennium ending June 30, 1991, \$80,000 is appropriated from the general fund to the attorney general and \$80,000 is appropriated to the commissioner of jobs and training for the purposes of this chapter. One-half of each appropriation is available in fiscal year 1990 and one-half in fiscal year 1991. The approved complement of the office of the attorney general is increased by one position and the approved complement of the department of jobs and training is increased by one position.

Sec. 13. [EFFECTIVE DATE.]

Sections 1 to 11 are effective 90 days after final enactment."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Commerce.

The report was adopted.

Osthoff from the Committee on Financial Institutions and Housing to which was referred:

H. F. No. 955, A bill for an act relating to financial institutions; providing standards for determining transaction account service charges; permitting state banks to establish subsidiaries under certain circumstances; authorizing the commissioner to adopt rules regarding activities of banks and bank subsidiaries; amending Minnesota Statutes 1988, sections 48.512, by adding a subdivision; and 48.61, by adding a subdivision.

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. 960, A bill for an act relating to conservation; changing certain responsibilities; defining certain terms; adopting eligibility criteria; changing agreement terms and payment procedures; providing for enforcement; authorizing sale of certain bonds; appropriating money; amending Minnesota Statutes 1988, sections 40.42; 40.43; 40.44; and 40.45.

Reported the same back with the following amendments:

Page 3, line 19, after the comma insert "including wildlife habitat and wind erosion control,"

Page 3, line 21, before the period insert ", or

(g) is a woodlot on agricultural land, or

(h) is an area of abandoned buildings on agricultural land, or

(i) is land on a hillside used for pasture"

Page 3, line 27, strike "three years" and insert "one year"

Page 3, line 35, before the period insert ", or land on a hillside used for pasture"

Page 4, line 18, after the period insert "An easement acquired on land for windbreak purposes, under subdivision 2, clause (d), may be only of permanent duration."

Page 6, after line 31, insert:

"For hillside pasture conservation easements, the payments to the landowner for the conservation easement and agreement must be reduced to reflect the value of similar property."

Page 9, after line 22, insert:

"Subd. 4. [FOOD PLOTS AND WINDBREAKS.] The board, in cooperation with the commissioner of natural resources, may authorize wildlife food plots on land with windbreaks."

Page 9, line 26, strike "emergency"

Page 9, after line 33, insert:

"Sec. 5. Minnesota Statutes 1988, section 84.95, subdivision 2, is amended to read:

Subd. 2. [PURPOSES AND EXPENDITURES.] Money from the reinvest in Minnesota resources fund may only be spent for the following fish and wildlife conservation enhancement purposes:

(1) development and implementation of the comprehensive fish and wildlife management plan under section 84.942;

(2) implementation of the conservation reserve program established by section 40.43;

(3) soil and water conservation practices to improve water quality, reduce soil erosion and crop surpluses;

(4) enhancement of fish and wildlife habitat on lakes, streams, wetlands, and public and private forest lands;

(5) acquisition and development of public access sites and recreation easements to lakes, streams, and rivers for fish and wildlife oriented recreation;

(6) matching funds with government agencies, federally recognized Indian tribes and bands, and the private sector for acquisition and improvement of fish and wildlife habitat;

(7) research and surveys of fish and wildlife species and habitat;

(8) enforcement of natural resource laws and rules;

(9) information and education;

(10) implementing the aspen recycling program under section 88.80 and other forest wildlife management projects; and

(11) necessary support services to carry out these purposes.

Sec. 6. Laws 1986, chapter 383, section 17, subdivision 4, is amended to read:

Subd. 4. [COMMISSIONER OF NATURAL RESOURCES.] \$3,600,000 is appropriated to the commissioner of natural resources:

- (a) from the bond proceeds account of the reinvest in Minnesota resources fund for fish and wildlife habitat improvements and acquisition of interests in land under the comprehensive fish and wildlife management plan under section 8, to be available until expended \$2,500,000
- (b) from the bond proceeds account of the reinvest in Minnesota resources fund for aspen recycling and other forest wildlife management projects under section 12, to be available until expended \$1,000,000
- (c) from the general fund for the development of a fish and wildlife research center, to be available until June 30, 1987 \$100,000"

Page 10, line 21, delete "6" and insert "8".

Page 11, line 8, delete "meeting" and insert "matching".

Re-number the sections in sequence

Amend the title as follows:

Page 1, line 8, delete "and" and after "40.45" insert "; 84.95, subdivision 2; and Laws 1986, chapter 383, section 17, subdivision 4"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Agriculture.

The report was adopted.

Osthoff from the Committee on Financial Institutions and Housing to which was referred:

H. F. No. 990, A bill for an act relating to housing; establishing a home equity conversion loan counseling program for senior homeowners; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 462A.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 999, A bill for an act relating to alcoholic beverages; authorizing Cook county to issue an off-sale liquor license.

Reported the same back with the following amendments:

Page 1, line 7, delete "paragraph (b)" and insert "paragraphs (b) and (c)"

Page 1, line 9, after "township" insert "with the approval of the commissioner of public safety"

Page 1, line 11, after the period insert "The county board may not issue a license under this section unless the town board of Lutsen township adopts a resolution approving the issuance of the license."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 1009, A bill for an act relating to vocational rehabilitation; changing term "extended employment plan participants" to "workers"; amending Minnesota Statutes 1988, section 129A.08, subdivision 4.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1021, A bill for an act relating to agriculture; establishing an agricultural liming material law; appropriating money; prescribing penalties; amending Minnesota Statutes 1988, section 17.7242, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 17; repealing Minnesota Statutes 1988, sections 17.7241; 17.7244; and 17.7246.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 17.7242, subdivision 1, is amended to read:

Subdivision 1. [PURPOSE.] The purpose of the demonstration project required under sections 17.7241 to this section and sections 17.7243 and 17.7245 is to identify appropriate and mutually beneficial methods for the use of industrial by-product soil buffering materials. Proper use will minimize current waste disposal problems, provide a market for an underutilized resource, and make available to farmers an effective, low-cost soil buffering product.

Sec. 2. Minnesota Statutes 1988, section 17.7242, subdivision 2, is amended to read:

Subd. 2. [AUTHORITY.] The commissioner shall coordinate the design and implementation of a demonstration project to examine the technical feasibility, economic benefits, and environmental impacts of using industrial by-product soil buffering materials as a substitute for limestone and other traditional soil buffering materials.

Sec. 3. [17.731] [CITATION.]

Sections 3 to 15 are known and may be cited as the "Minnesota agricultural liming materials law."

Sec. 4. [17.732] [POWERS AND DUTIES OF COMMISSIONER.]

Subdivision 1. [ADMINISTRATION.] The commissioner shall administer, implement, and enforce sections 3 to 15, and the department of agriculture is the lead state agency for the regulation of agricultural liming materials. This regulation includes, but is not limited to, the storage, handling, distribution, and use of those materials.

Subd. 2. [DELEGATION OF DUTIES.] Functions vested in the commissioner by sections 3 to 15 may be delegated to designated employees or agents of the department of agriculture.

Subd. 3. [DELEGATION TO APPROVED AGENCIES.] The commissioner may, by written agreement, delegate specific inspection, enforcement, and other regulatory duties of sections 3 to 15 to officials of approved agencies.

Sec. 5. [17.733] [DEFINITIONS.]

Subdivision 1. [SCOPE.] The definitions in this section apply to sections 3 to 15.

Subd. 2. [AGRICULTURAL LIMING MATERIALS.] "Agricultural liming materials" means materials whose calcium or magnesium compounds, or both, account for an ENP of 30 percent or more. The term includes, but is not limited to, burnt lime, hydrated lime, industrial by-product, limestone, and marl.

Subd. 3. [BRAND.] "Brand" means the term, designation, trademark, product name, or other specific designation under which individual agricultural liming material is offered for sale.

Subd. 4. [BULK.] "Bulk" means in nonpackaged form.

Subd. 5. [BURNT LIME.] "Burnt lime" means a material made from limestone that consists essentially of calcium oxide or a combination of calcium oxide with magnesium oxide.

Subd. 6. [COMMISSIONER.] "Commissioner" means the commissioner of agriculture and the commissioner's authorized agents.

Subd. 7. [DISTRIBUTOR.] "Distributor" means a person who imports, consigns, produces, or offers for sale, sells, barter, or otherwise supplies agricultural liming material in this state.

Subd. 8. [ENP.] "ENP" means effective neutralizing power and is an expression of the neutralizing value of liming material based on the TNP and fineness and expressed as dry weight percentage.

Subp. 9. [FINENESS.] "Fineness" means the percentage by weight of material that will pass sieves of specified sizes.

Subd. 10. [GUARANTEED ANALYSIS.] "Guaranteed analysis" means the plant food claim in addition to claims for ENP or the ability to neutralize soil acidity.

Subd. 11. [GUARANTOR.] "Guarantor" means the person who is guaranteeing the agricultural liming material to be as stated in the guaranteed analysis statement.

Subd. 12. [HYDRATED LIME.] "Hydrated lime" means a material, made from burnt lime, that consists of calcium hydroxide or a combination of calcium hydroxide with either magnesium oxide, magnesium hydroxide, or both.

Subd. 13. [INDUSTRIAL BY-PRODUCT.] "Industrial by-product" means an industrial waste or by-product or the by-product of a municipal water treatment process containing calcium or magnesium or both in a form that may neutralize soil acidity.

Subd. 14. [LABEL.] "Label" means the display of all written, printed, or graphic matter on the immediate container or the

statement accompanying a bulk shipment of agricultural liming material.

Subd. 15. [LABELING.] "Labeling" means written, printed, or graphic matter on or accompanying agricultural liming material and advertisements, brochures, posters, and television, radio, or other announcements used in promoting their sale.

Subd. 16. [LIMESTONE.] "Limestone" means a material consisting essentially of calcium carbonate or a combination of calcium carbonate with magnesium carbonate capable of neutralizing soil acidity.

Subd. 17. [MARL.] "Marl" means a granular or loosely consolidated earthy material composed largely of sea shell fragments and calcium carbonate.

Subd. 18. [OFFICIAL SAMPLE.] "Official sample" means a sample of agricultural liming material taken by the commissioner according to methods prescribed by section 10.

Subd. 19. [PERCENT; PERCENTAGE.] "Percent" or "percentage" means the percentage by weight.

Subd. 20. [PERSON.] "Person" means an individual, firm, corporation, partnership, association, trust, joint stock company, unincorporated organization, the state, a state agency, or a political subdivision.

Subd. 21. [PLANT FOOD.] "Plant food" means one of the following plant nutrients or an additional plant nutrient which might be generally recognized as beneficial for plant growth: nitrogen, phosphorus, potassium, calcium, magnesium, sulfur, boron, chlorine, cobalt, copper, iron, manganese, molybdenum, sodium, and zinc.

Subd. 22. [PRODUCER.] "Producer" means a person who operates a source of production or who blends an agricultural liming material to form a stockpile.

Subd. 23. [SELL.] "Sell," when applied to agricultural liming material, includes:

- (1) selling or transferring ownership;
- (2) offering and exposing for sale, exchange, distribution, giving away, and transportation in and into this state;
- (3) possession with intent to sell, exchange, distribute, give away, or transport in and into this state;

(4) storing, carrying, and handling in aid of traffic, whether done in person or through an agent, employee, or others; and

(5) receiving, accepting, and holding a consignment for sale.

Subd. 24. [SOURCE OF PRODUCTION.] "Source of production" means a plant or facility where agricultural liming materials are produced or stockpiled.

Subd. 25. [STOCKPILE.] "Stockpile" means a supply of agricultural liming material stored for future use.

Subd. 26. [TNP.] "TNP" means total neutralizing power and is the total acid neutralizing capacity of an agricultural liming material expressed as a weight percentage of calcium carbonate and is equivalent to the term "calcium carbonate equivalent."

Subd. 27. [TON.] "Ton" means a net ton of 2,000 pounds avoirdupois.

Subd. 28. [WEIGHT.] "Weight" means the weight of material as offered for sale.

#### Sec. 6. [17.736] [LICENSE, RENEWAL.]

Subdivision 1. [LICENSE TO SELL.] Before a person may sell, offer for sale, or dispose of in this state agricultural liming material to be used for the correction of soil acidity or soil fertility, the distributor and producer must obtain a license by filing with the commissioner an acceptable application for a license to sell, together with the license fee, on or before January 1 of each year. The application must state the name of the producer or distributor, the location of the principal office of the producer or distributor, the number and location of each source of production covered by the license, and the name, brand, or trademark under which the agricultural liming material will be sold.

Subd. 2. [OUT-OF-STATE SOURCE OF PRODUCTION.] One license for all sources of production for a firm that is located outside of the state must be obtained from the commissioner.

Subd. 3. [EFFECTIVE DATES.] Each license is effective until January 1 next following the date of its issuance or approval. A license must not be transferable from one person to another, or from the ownership to whom issued to another ownership, or from one location to another location.

Subd. 4. [LICENSE POSTING.] The license must be posted in a conspicuous place in each location in this state where these operations are performed.

Subd. 5. [SUBSTANTIATION OF CLAIMS.] The commissioner may require a person applying for a license to sell or produce an agricultural liming material for use in Minnesota to submit authentic experimental evidence or university research data to substantiate the claims made for the product. As evidence to substantiate claims, the commissioner may rely on experimental data, evaluations, or advice furnished by experts at the University of Minnesota and may accept or reject additional sources of evidence in evaluating the agricultural liming material. In all cases, the experimental evidence must relate to conditions in Minnesota for which use of the product is intended. The commissioner may also require evidence of value when used as directed or recommended.

Subd. 6. [INSUFFICIENT EVIDENCE.] If the commissioner determines that the evidence submitted under subdivision 5 does not substantiate the product's usefulness in this state, the commissioner may require the applicant to submit samples, conduct tests, or submit additional information, including conditions affecting performance, in order to evaluate its performance and usefulness.

Sec. 7. [17.737] [LABELING; GUARANTEED ANALYSIS.]

Subdivision 1. [PRODUCT LABEL.] An agricultural liming material offered for sale in this state must be labeled in accordance with rules adopted under this chapter.

Subd. 2. [BULK SHIPMENT LABEL.] If agricultural liming material is transported or sold in bulk, the data in written or printed form as required by subdivision 1 must accompany each delivery and be supplied to each purchaser at the time of delivery.

Sec. 8. [17.738] [LICENSE AND SAMPLING FEES.]

Subdivision 1. [APPLICATION FEE.] An application for a license must be accompanied by a fee of \$100.

Subd. 2. [ADDITIONAL FEE AFTER JANUARY 1.] If an application for license renewal is not filed before January 1 of any year, an additional fee amounting to 50 percent of the amount due must be assessed before the renewal license may be issued.

Subd. 3. [ADDITIONAL FEES FOR PRIOR YEARS.] The applicant shall also pay any license fees for prior years in which the applicant sold an agricultural liming material in Minnesota in violation of this chapter plus an additional fee of 100 percent of the amount due.

Subd. 4. [SAMPLE FEE.] The commissioner may sample agricultural liming material from a source of production as often as deemed necessary to implement sections 3 to 15. A sampling fee of \$25 must

be assessed for each sample collected but may not exceed \$25 per calendar year at each source of production.

Sec. 9. [17.739] [TONNAGE REPORT.]

Subdivision 1. [SEMIANNUAL STATEMENT.] Each licensed distributor or producer of agricultural liming material shall file with the commissioner on forms furnished by the commissioner, a semiannual statement for the periods ending December 31 and June 30 setting forth the number of net tons of agricultural liming material sold in this state during the reporting period. The report is due on or before the last day of the month following the close of each reporting period of each calendar year. For a tonnage report that is not filed within 31 days after the end of the reporting period, a penalty of \$50 must be paid by the licensee and is a debt and may be recovered in a civil action against the licensee. The assessment of this penalty does not prevent the department from taking other actions as provided in sections 3 to 15. The commissioner may by rule require additional reports for the purpose of gathering statistical data relating to agricultural liming material distributed in Minnesota.

Subd. 2. [SEPARATE REPORTS.] A separate report under subdivision 1 is due for each source of production.

Subd. 3. [RECORD VERIFICATION.] Submission of each tonnage report is authority for the commissioner to verify the records upon which the statement of tonnage is based.

Sec. 10. [17.74] [INSPECTION AND INVESTIGATION.]

Subdivision 1. [ACCESS AND ENTRY.] (a) The commissioner, upon presentation of official department credentials, must be granted access at reasonable times without delay to sites (1) where a person produces, handles, distributes, uses, disposes of, stores, or transports an agricultural liming material; and (2) which the commissioner reasonably believes are affected, or possibly affected, by the use of an agricultural liming material or device in violation of sections 3 to 15.

(b) The commissioner may enter sites for:

(1) inspection of equipment for the production, handling, distribution, disposal, or application of an agricultural liming material and the premises on which the equipment is stored;

(2) sampling of sites actually or reportedly exposed to agricultural liming materials;

(3) inspection of storage, handling, distribution, use, or disposal areas of agricultural liming material;

(4) inspection or investigation of complaints of injury to the environment;

(5) sampling of agricultural liming materials;

(6) observation of the use and application of an agricultural liming material;

(7) inspection of records related to the production, handling, distribution, storage, sale, use, or disposal of agricultural liming material; and

(8) other purposes necessary to implement sections 3 to 15.

Subd. 2. [NOTICE OF INSPECTION SAMPLES AND ANALYSES.] (a) The commissioner shall provide the owner, operator, or agent in charge with a receipt describing any samples obtained. If an analysis is made of the samples, a copy of the results of the analysis must be furnished to the owner, operator, or agent in charge.

(b) The methods of sampling and analysis must be those adopted by the association of official analytical chemists. In cases not covered by those methods, or in cases where methods are available in which improved applicability has been demonstrated, the commissioner may adopt appropriate methods from other sources.

Sec. 11. [17.741] [FALSE OR MISLEADING STATEMENTS.]

An agricultural liming material is misbranded if it carries a false or misleading statement on the container or on the label attached to the container, or if false or misleading statements concerning the agricultural liming material are disseminated in any manner or by any means. It is unlawful to sell a misbranded agricultural liming material.

Sec. 12. [17.742] [ADULTERATION.]

No person may sell an adulterated agricultural liming material. An agricultural liming material is adulterated if:

(1) it contains a deleterious or harmful ingredient in sufficient amount to render it injurious to plant life or the environment when applied in accordance with directions for use on the label;

(2) its composition falls below or differs from that it is purported to possess by its labeling; or

(3) it contains unwanted crop seed or weed seed.

Adulterated products that cannot be reconditioned must be disposed of by methods approved by the commissioner.

Sec. 13. [17.743] [RULES.]

Subdivision 1. [FOR ADMINISTRATION.] The commissioner may adopt emergency or permanent rules necessary to administer sections 3 to 15.

Subd. 2. [LIMING MATERIALS.] The commissioner may adopt rules governing the distribution, labeling, sale, handling, certification, use, application, storage, sampling, and analysis of liming materials.

Sec. 14. [17.744] [VIOLATIONS; PENALTY.]

Subdivision 1. [LICENSE.] The commissioner may cancel a license issued under sections 3 to 15 upon satisfactory evidence that the licensee has used fraudulent and deceptive practices in the evasion or attempted evasion of the provisions of this section. No license may be revoked until the licensee has been given opportunity for a hearing by the commissioner.

Subd. 2. [COMMISSIONER'S DISCRETION.] Nothing in sections 3 to 15 requires the commissioner to report a person for prosecution or issue a withdrawal from distribution (stop-sale) order as a result of a minor violation of sections 3 to 15 or when the commissioner believes the public interest will be best served by a suitable notice of warning in writing.

Sec. 15. [17.745] [ADMINISTRATIVE ACTION.]

Subdivision 1. [ADMINISTRATIVE REMEDIES.] The commissioner may seek to remedy violations of sections 3 to 15 or the commissioner's orders by a written warning, administrative meeting, cease and desist, stop-use, stop-sale, or other special order, stipulation, or agreement, if the commissioner determines that the remedy is in the public interest.

Subd. 2. [REVOCAION AND SUSPENSION.] The commissioner may, after written notice and hearing, revoke, suspend, or refuse to grant or renew a license if a person violates sections 3 to 15 or has a history of violations of sections 3 to 15.

Sec. 16. [APPROPRIATION.]

\$270,000 is appropriated from the general fund to the commissioner of agriculture for purposes of the demonstration project in

sections 17.7242 to 17.7245 and to support an agricultural liming material regulatory program. This appropriation is available until June 30, 1991. The complement of the department of agriculture is increased by two positions.

Sec. 17. [INSTRUCTION TO REVISOR.]

In the next and all future editions of Minnesota Statutes, the revisor of statutes shall renumber the sections listed in column A to the numbers listed in column B:

Column A

17.7242

17.7243

17.7245

Column B

17.734

17.735

17.735, subdivision 3

The revisor shall also correct all cross-references to the renumbered sections.

Sec. 18. [REPEALER.]

Minnesota Statutes 1988, sections 17.7241; 17.7244; and 17.7246, are repealed.

Sec. 19. [REPEALER.]

Sections 3 to 15 are repealed effective June 30, 1991.

Sec. 20. [EFFECTIVE DATE.]

This act is effective the day following final enactment."

Amend the title as follows:

Page 1, line 5, delete "subdivision 1" and insert "subdivisions 1 and 2"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1029, A bill for an act relating to Blue Earth county; authorizing the county to transfer certain duties.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 1030, A bill for an act relating to education; appropriating money for lease of space at the College of St. Teresa by Winona State University.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1041, A bill for an act relating to the environment; providing an exemption process from the power plant siting requirements for certain generating plants; amending Minnesota Statutes 1988, section 116C.57, by adding a subdivision.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Osthoff from the Committee on Financial Institutions and Housing to which was referred:

H. F. No. 1045, A bill for an act relating to housing; expanding the Minnesota housing financing agency's shared housing program to include handicapped persons; authorizing the provision of technical assistance to sponsors; appropriating money; amending Minnesota Statutes 1988, section 462A.05, subdivision 24.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1061, A bill for an act relating to state lands; authorizing conveyance of surplus state real property to Leo A. Hoffmann Center, Inc.

Reported the same back with the following amendments:

Page 2, line 9, delete "527.99" and insert "427.95"

Page 2, line 13, delete "341.53" and insert "419.28"

Page 2, line 14, delete "50.00" and insert "150.00"

Page 2, line 16, delete "460.15" and insert "385.15"

Page 2, after line 27, insert:

"All construction plans and specifications for the residential treatment facility to be built on the site must be submitted to the commissioner of administration for review and approval."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1065, A bill for an act relating to judicial administration; providing for the transfer of referees, judicial officers, court reporters, law clerks, and district administration staff from county to state employment; providing that guardians ad litem are county employees for purposes of tort claims and clarifying tort liability for other court employees; providing for inclusion of the second and fourth judicial districts in the public defender system; providing for appointment of public defenders in the second and fourth judicial districts; authorizing the supreme court to adopt transition rules; requiring a court management plan; establishing a criminal court study commission; requiring criminal case disposition objectives; appropriating money; amending Minnesota Statutes 1988, sections

3.732, subdivision 1; 43A.02, subdivision 25; 43A.24, subdivision 2; 352.01, subdivision 2b; 353.01, subdivision 2a; 466.01, subdivision 6; 484.545, subdivisions 1, 2, and 3; 484.62; 484.64, subdivision 3; 484.65, subdivisions 3 and 7; 484.68, subdivision 5; 486.05; 486.055; 486.06; 487.08, subdivision 5; and 611.26, subdivision 2; proposing coding for new law in Minnesota Statutes, chapters 480; 611; and 631; repealing Minnesota Statutes 1988, sections 383B.63, subdivisions 4 and 5; 486.07; 488A.05; 488A.111; 488A.22; 488A.281; 611.12; and 611.214; and Laws 1975, chapter 258, section 6, subdivisions 1, 3, 4, and 5.

Reported the same back with the following amendments:

Page 12, line 6, after "association" insert "or the Minneapolis employees retirement fund"

Page 12, line 11, after the period insert "The state shall make the employer contribution to the public employees retirement association or the employer contribution under section 422A.101, subdivision 1a, to the Minneapolis employees retirement fund on behalf of employees who make an election under clause (2)."

Page 12, line 12, after "paragraph (a)" insert ", clause (1)."

Page 12, line 14, after the period insert "An employee who makes an election under paragraph (a), clause (2) may revoke the election at any time before July 1, 1990. Once an employee revokes this election, the employee may not make another election."

Page 12, after line 14, insert:

"(c) The supreme court, after consultation with the conference of chief judges, the commissioner of employee relations, and the executive directors of the public employees retirement association and the Minnesota state retirement association, shall adopt procedures for making elections under this section.

(d) The supreme court shall notify all affected employees of the options available under this section. The executive directors of the public employees retirement association and the Minnesota state retirement system shall provide counseling to affected employees on the effect of making an election to remain a member of the public employees retirement association."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1077, A bill for an act relating to state lands; authorizing conveyance of state land to the city of St. Peter.

Reported the same back with the following amendments:

Page 1, line 7, after "transfer" insert "as much of"

Page 1, line 8, after "Peter" insert "as the city requests"

Page 1, line 9, delete "without consideration"

Page 1, line 10, delete "with" and insert "The conveyance of any portion of the land that the city agrees to use for a public purpose must be without consideration. The conveyance of any remaining land described in paragraph (c) is at the option of the city, and must be for the appraised value of the land. Notwithstanding Minnesota Statutes, section 94.10, the appraised value must be determined by one appraiser appointed by the commissioner of administration. Any conveyance made without consideration must include"

With the recommendation that when so amended the bill pass.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 1103, A bill for an act relating to health; requiring a fee for an application for a home care provider license; authorizing the commissioner to seek injunctive relief and use subpoenas in regulating home care providers; imposing requirements for disclosure of criminal convictions by home care providers; imposing a penalty for providing home care without a license; requiring public members in the mortuary science advisory council; allowing use of a trainee's name in the advertising or title of a funeral establishment; establishing a hearing instrument security fund; establishing a human services occupational account; amending Minnesota Statutes 1988, sections 144A.45, subdivision 2; 144A.46; 149.02; 149.06; and 153A.13, subdivision 4; proposing coding for new law in Minnesota Statutes, chapters 144; 144A; 145; and 214; repealing Minnesota Statutes 1988, section 153A.16.

Reported the same back with the following amendments:

Page 1, after line 25, insert:

"Sec. 2. Minnesota Statutes 1988, section 144.698, subdivision 1, is amended to read:

Subdivision 1. [YEARLY REPORTS.] Each hospital and each outpatient surgical center, which has not filed the financial information required by this section with a voluntary, nonprofit reporting organization pursuant to section 144.702, shall file annually with the commissioner of health after the close of the fiscal year:

(a) A balance sheet detailing the assets, liabilities, and net worth of the hospital;

(b) A detailed statement of income and expenses;

(c) A copy of its most recent cost report, if any, filed pursuant to requirements of Title XVIII of the United States Social Security Act; and

(d) A copy of all changes to articles of incorporation or bylaws;

(e) Information on services provided for community benefit. These services may include services provided at no cost or for a reduced fee to patients unable to pay, teaching and research activities, or other community or charitable activities;

(f) Information required on the revenue and expense report forms in effect on July 1, 1989; and

(g) Other information required by the commissioner in rule.

Sec. 3. Minnesota Statutes 1988, section 144.701, is amended to read:

144.701 [RATE DISCLOSURE.]

Subdivision 1. [CONSUMER INFORMATION.] The commissioner of health shall ensure that the total costs, total revenues, and total services of each hospital and each outpatient surgical center are reported to the public in a form understandable to consumers.

Subd. 2. [DATA FOR POLICY MAKING.] The commissioner of health shall compile relevant financial and accounting data concerning hospitals and outpatient surgical centers in order to have statistical information available for legislative policy making.

Subd. 3. [RATE SCHEDULE.] The commissioner of health shall obtain from each hospital and outpatient surgical center a current rate schedule. Any subsequent amendments or modifications of that schedule shall be filed with the commissioner of health at least 60 days in advance of on or before their effective date.

Subd. 4. [FILING FEES.] Each report which is required to be submitted to the commissioner of health under sections 144.695 to 144.703 and which is not submitted to a voluntary, nonprofit reporting organization in accordance with section 144.702 shall be accompanied by a filing fee in an amount prescribed by rule of the commissioner of health. Fees received pursuant to this subdivision shall be deposited in the general fund of the state treasury health care cost information system account.

Subd. 5. [HEALTH CARE COST INFORMATION SYSTEMS ACCOUNT.] The health care cost information systems account is created as a separate account in the special revenue fund. Upon the withdrawal of approval of a reporting organization, or the decision of the commissioner to not renew a reporting organization, fees collected by a voluntary, nonprofit reporting organization under section 144.702 shall be submitted to the commissioner, and deposited in the health care cost information systems account. The commissioner may employ staff to administer the reporting procedures under sections 144.695 to 144.703, or contract with a third party for the administration of the reporting procedures.

Sec. 4. Minnesota Statutes 1988, section 144.702, subdivision 2, is amended to read:

Subd. 2. [APPROVAL OF ORGANIZATION'S REPORTING PROCEDURES.] The commissioner of health may approve voluntary reporting procedures which are substantially equivalent to reporting requirements and procedures adopted by the commissioner of health for reporting procedures under sections 144.695 to 144.703, consistent with written operating requirements for the voluntary, nonprofit reporting organization which shall be established annually by the commissioner. These written operating requirements shall specify reports, analyses and other deliverables to be produced by the voluntary, nonprofit reporting organization, and the dates on which those deliverables must be submitted to the commissioner. The commissioner shall approve annual spending plans developed by the voluntary, nonprofit reporting organization. The commissioner of health shall, by rule, prescribe standards for approval of voluntary reporting procedures, which submission of data by hospitals and outpatient surgical centers to the voluntary, nonprofit reporting organization. These standards shall provide for:

(a) The filing of appropriate financial information with the reporting organization;

(b) Adequate analysis and verification of that financial information; and

(c) Timely publication of the costs, revenues, and rates of individual hospitals and outpatient surgical centers prior to the effective date of any proposed rate increase. The commissioner of health shall

annually review the procedures approved pursuant to this subdivision.

Sec. 5. Minnesota Statutes 1988, section 144.702, is amended by adding a subdivision to read:

Subd. 7. [FEES.] Any voluntary, nonprofit reporting organization shall pay to the commissioner on or before July 1 each year a fee which shall be equal to the appropriation to the commissioner for the purpose of administering the health care cost information system for that fiscal year.

Sec. 6. Minnesota Statutes 1988, section 144.702, is amended by adding a subdivision to read:

Subd. 8. [TERMINATION OR NONRENEWAL OF REPORTING ORGANIZATION.] The commissioner may withdraw approval of any voluntary, nonprofit reporting organization for failure on the part of the voluntary, nonprofit reporting organization to comply with the written operating requirements under subdivision 2. Upon the effective date of the withdrawal, all funds collected by the voluntary, nonprofit reporting organization under section 144.701, subdivision 4, but not expended under the approved spending plan, shall be placed in the health care cost information systems account.

The commissioner may choose not to renew approval of a voluntary, nonprofit reporting organization if, in the commissioner's judgment, the organization has failed to perform its obligations satisfactorily under the written operating requirements under subdivision 2."

Page 7, after line 15, insert:

"Sec. 11. Minnesota Statutes 1988, section 148.56, is amended by adding a subdivision to read:

Subd. 5. [EXEMPTION.] Nothing in this section and no rule or regulation adopted under section 148.53 with respect to this section shall prevent or restrict:

(1) optical dispensing practices or services related to the fitting of eyeglasses; and

(2) contact lens technology practices, services, or activities.

Clause (2) of this subdivision does not take effect until the department of health has completed rules for registration of contact lens dispensers.

Sec. 12. Minnesota Statutes 1988, section 148B.27, subdivision 2, is amended to read:

Subd. 2. [USE OF TITLES.] After the board adopts rules, no individual shall be presented to the public by any title incorporating the words "social work" or "social worker" unless that individual holds a valid license issued under sections 148B.18 to 148B.28. City, county, and state agency social workers who are not licensed under sections 148B.18 to 148B.28 may use the title city agency social worker or county agency social worker or state agency social worker.

Hospital social workers who are not licensed under sections 148B.18 to 148B.28 may use the title hospital social worker, while acting within the scope of their employment.

Sec. 13. Minnesota Statutes 1988, section 148B.32, subdivision 2, is amended to read:

Subd. 2. [APPEARANCE AS LICENSEE PROHIBITED.] After adoption of rules by the board implementing sections 148B.29 to 148B.39, no individual shall be held out to be a marriage and family therapist unless that individual holds a valid license issued under sections 148B.29 to 148B.39, except persons providing marriage and family therapy who are employed by hospitals licensed under chapter 144 and who are acting within the scope of their employment."

Page 10, after line 27, insert:

"Sec. 17. Minnesota Statutes 1988, section 153A.15, subdivision 3, is amended to read:

Subd. 3. [PROCEDURES.] The commissioner shall establish, in writing, internal operating procedures for receiving and investigating complaints and imposing enforcement actions. The written internal operating procedures may include procedures for sharing complaint information with government agencies in this and other states. Establishment of the operating procedures are not subject to rulemaking procedures under chapter 14. Procedures for sharing complaint information shall be consistent with the requirements for handling government data under chapter 13.

Sec. 18. Minnesota Statutes 1988, section 153A.16, is amended to read:

153A.16 [BOND REQUIRED.]

A sole proprietor, partnership, association, or corporation engaged in hearing instrument sales shall provide a surety bond in favor of the state of Minnesota in the amount of \$5,000 for every individual

engaged in the practice of selling hearing instruments, up to a maximum of \$25,000. The bond required by this section must be in favor of the state for the benefit of any person who suffers loss of payments for the purchase or repair of a hearing instrument after July 1, 1988, due to insolvency or cessation of the business of the sole proprietor, partnership, association, or corporation engaged in hearing instrument sales. A copy of the bond must be filed with the attorney general commissioner of health. A person claiming against the bond may maintain an action at law against the surety and the sole proprietor, partnership, association, or corporation. The aggregate liability of the surety to all persons for all breaches of the conditions of the bonds provided herein must not exceed the amount of the bond."

Page 10, delete lines 28 to 35, and insert:

"Sec. 19. [214.135] [HUMAN SERVICES OCCUPATIONAL ACCOUNT.]

The human services occupational account is created as a separate account in the special revenue fund. All fees charged to register human services occupations under section 214.13, subdivision 1, or for the purposes of establishing permit systems for human services occupations authorized by the legislature must be deposited into this special account. The money in the account is continually appropriated to the commissioner of health for the purposes of registering or permitting human services occupations.

Sec. 20. Minnesota Statutes 1988, section 326.78, subdivision 2, is amended to read:

Subd. 2. [ISSUANCE OF LICENSES AND CERTIFICATES.] The commissioner may issue licenses to employers and certificates to employees who meet the criteria in sections 326.70 to 326.82 and the commissioner's rules. Licenses and certificates shall be valid for at least 12 months, except that the initial certificate will be issued to expire one year after the completion date on the approved training course diploma.

Sec. 21. Minnesota Statutes 1988, section 327.20, subdivision 1, is amended to read:

Subdivision 1. [RULES.] No domestic animals or house pets of occupants of manufactured home parks or recreational camping areas shall be allowed to run at large, or commit any nuisances within the limits of a manufactured home park or recreational camping area. Each manufactured home park or recreational camping area licensed under the provisions of sections 327.10, 327.11, 327.14 to 327.28 shall, among other things, provide for the following, in the manner hereinafter specified:

(1) A responsible attendant or caretaker shall be in charge of every manufactured home park or recreational camping area at all times, who shall maintain the park or area, and its facilities and equipment in a clean, orderly and sanitary condition. In any manufactured home park containing more than 50 lots, the attendant, caretaker, or other responsible park employee, shall be readily available at all times in case of emergency.

(2) All manufactured home parks shall be well drained and be located so that the drainage of the park area will not endanger any water supply. No waste water from manufactured homes or recreational camping vehicles shall be deposited on the surface of the ground. All sewage and other water carried wastes shall be discharged into a municipal sewage system whenever available. When a municipal sewage system is not available, a sewage disposal system acceptable to the state commissioner of health shall be provided.

(3) No manufactured home shall be located closer than three feet to the side lot lines of a manufactured home park, if the abutting property is improved property, or closer than ten feet to a public street or alley. Each individual site shall abut or face on a driveway or clear unoccupied space of not less than 16 feet in width, which space shall have unobstructed access to a public highway or alley. There shall be an open space of at least ten feet between the sides of adjacent manufactured homes including their attachments and at least three feet between manufactured homes when parked end to end. The space between manufactured homes may be used for the parking of motor vehicles and other property, if the vehicle or other property is parked at least ten feet from the nearest adjacent manufactured home position. The requirements of this paragraph shall not apply to recreational camping areas and variances may be granted by the state commissioner of health in manufactured home parks when the variance is applied for in writing and in the opinion of the commissioner the variance will not endanger the health, safety, and welfare of manufactured home park occupants.

(4) An adequate supply of water of safe, sanitary quality shall be furnished at each manufactured home park or recreational camping area. The source of the water supply shall first be approved by the state department of health. At least one water supply outlet shall be provided at convenient locations throughout the manufactured home park or recreational camping area.

(5) All plumbing shall be installed in accordance with the rules of the state commissioner of health and the provisions of the Minnesota plumbing code.

(6) In the case of a manufactured home park with less than ten manufactured homes, a plan for the sheltering or the safe evacuation to a safe place of shelter of the residents of the park in times of

severe weather conditions, such as tornadoes, high winds, and floods. The shelter or evacuation plan shall be developed with the assistance and approval of the municipality where the park is located and shall be posted at conspicuous locations throughout the park. Nothing in this paragraph requires the department of health to review or approve any shelter or evacuation plan developed by a park. Failure of a municipality to approve a plan submitted by a park shall not be grounds for action against the park by the department of health if the park has made a good faith effort to develop the plan and obtain municipal approval.

(7) A manufactured home park with ten or more manufactured homes, licensed prior to March 1, 1988, shall provide a safe place of shelter for park residents or a plan for the evacuation of park residents to a safe place of shelter within a reasonable distance of the park for use by park residents in times of severe weather, including tornadoes and high winds. The shelter or evacuation plan must be approved by the municipality by March 1, 1989. The municipality may require the park owner to construct a shelter if it determines that a safe place of shelter is not available within a reasonable distance from the park. A copy of the municipal approval and the plan shall be submitted by the park owner to the department of health. Failure of a municipality to approve a plan submitted by a park shall not be grounds for action against the park by the department of health if the park has made a good-faith effort to develop the plan and obtain municipal approval.

(8) A manufactured home park with ten or more manufactured homes, receiving a primary license after March 1, 1988, must provide the type of shelter required by section 327.205."

Page 11, lines 3 and 6, delete "2" and insert "7"

Page 11, after line 6, insert:

"\$104,000 is appropriated from the general fund to the commissioner of health for the biennium ending June 30, 1991, for the implementation of sections 9 and 10."

Page 11, delete line 8, and insert:

"Minnesota Rules, parts 4650.0162 and 4650.0164 are repealed."

Re-number the sections in sequence

Correct internal references

Delete the title and insert:

"A bill for an act relating to health; requiring a fee for an

application for a home care provider license; authorizing the commissioner to seek injunctive relief and use subpoenas in regulating home care providers; imposing requirements for disclosure of criminal convictions by home care providers; imposing a penalty for providing home care without a license; requiring public members in the mortuary science advisory council; allowing use of a trainee's name in the advertising or title of a funeral establishment; establishing a hearing instrument security fund; establishing a human services occupational account; appropriating money; amending Minnesota Statutes, 1988, sections 144.698, subdivision 1; 144.701; 144.702, subdivision 2, and by adding subdivisions; 144A.45, subdivision 2; 144A.46; 148.56, by adding a subdivision; 148B.27, subdivision 2; 148B.32, subdivision 2; 149.02; 149.06; 153A.13, subdivision 4; 153A.15, subdivision 3; 153A.16; 326.78, subdivision 2; and 327.20, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 144; 144A; 145; and 214; repealing Minnesota Rules, parts 4650.0162 and 4650.0164."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1104; A bill for an act relating to Ramsey county; increasing the size of the personnel board; permitting the personnel director to issue certain subpoenas; amending Minnesota Statutes 1988, sections 383A.287, subdivision 2; and 383A.294, by adding a subdivision.

Reported the same back with the following amendments:

Page 2, line 5, after the period insert "The subpoena shall be enforceable through the district court."

Page 2, after line 5, insert:

"Sec. 3. Minnesota Statutes 1988, section 383B.36, subdivision 2, is amended to read:

Subd. 2. [SUBPOENAS.] The board or director shall have the power to subpoena and to require the attendance of witnesses and the production of evidence and to administer oaths. ~~The board or director may apply to the district court for~~ An order of the board or director requiring attendance or production of evidence shall be enforceable through the district court.

Board hearings shall be conducted in an informal and impartial

manner in compliance with sections 383B.26 to 383B.42 and in accordance with procedures established by the board.

Sec. 4. Minnesota Statutes 1988, section 383C.048, is amended to read:

**383C.048 [COMMISSION MAY SUBPOENA WITNESSES.]**

In an investigation conducted by the county civil service commission or civil director they the commission or director shall have the power to subpoena and require the attendance of witnesses and the production by them of books and papers pertinent to the investigation and to administer oaths to such witnesses. A subpoena issued by the commission or director shall be enforceable through the district court.

**Sec. 5. [594.01] [ENFORCEMENT OF SUBPOENAS.]**

Whenever by law the power of subpoena is granted to an officer, agency, board, commission, department, council, committee, or other entity of state government, or any officer, governing body, committee, board, department, commission, agency, or other entity of any political subdivision of this state, the power of subpoena shall be enforceable only through the court of appropriate jurisdiction.

Page 2, line 6, delete "3" and insert "6"

Page 2, line 7, delete "This act takes" and insert "Sections 1 and 2 take"

Delete the title and insert:

"A bill for an act relating to county personnel boards and other state and local government bodies; increasing the size of the Ramsey county personnel board; permitting the director to issue subpoenas; providing for court enforcement of state and local government entity subpoena powers; amending Minnesota Statutes 1988, sections 383A.287, subdivision 2; 383A.294, by adding a subdivision; 383B.36, subdivision 2; and 383C.048; proposing coding for new law as Minnesota Statutes, chapter 594."

With the recommendation that when so amended the bill pass.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1140, A bill for an act relating to real property;

appropriating money for grant-in-aid assistance to the Red Wing port authority to acquire lands for historic preservation and educational purposes.

Reported the same back with the following amendments:

Page 1, line 8, delete "Red Wing port authority" and insert "Minnesota Historical Society through the Goodhue county board"

Page 1, line 20, delete "Red Wing port authority" and insert "Goodhue county board"

Amend the title as follows:

Page 1, line 2, after "money" insert "to Minnesota Historical Society"

Page 1, line 3, delete "the Red Wing port authority" and insert "Goodhue county"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 1170, A bill for an act relating to human services; providing for eligibility changes in the children's health plan program; clarifying eligibility under the medical assistance program for pregnant women, infants, and children; authorizing the adoption of rules; amending Minnesota Statutes 1988, section 256.936, subdivisions 1, 2, and 4; proposing coding for new law in Minnesota Statutes, chapter 256B.

Reported the same back with the following amendments:

Page 2, line 1, after the first "services," insert "special education services,"

Page 4, line 9, delete "July" and insert "January" and after the period insert "However, a child enrolled in the children's health plan who reached or will reach age nine between the date of initial implementation of the children's health plan and January 1, 1990, remains eligible for the plan after the child's ninth birth date until January 1, 1990; if the child meets all other program requirements."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1194, A bill for an act relating to insurance; requiring obligors to issue an insurance identification card; requiring a driver or owner to produce an insurance identification card, policy, or written statement; providing for administrative review; exempting certain vehicles; providing for the impoundment of registration plates; providing for a limited license in certain circumstances; defining terms; providing penalties; amending Minnesota Statutes 1988, sections 65B.67, subdivisions 2 and 4; 168.041, subdivisions 4, 4a, and by adding a subdivision; 169.09, subdivision 14; 171.29, subdivision 1; and 171.30, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 65B and 169; repealing Minnesota Statutes 1988, section 65B.481.

Reported the same back with the following amendments:

Page 1, delete line 31 and insert:

"(4) the make, model, and year of the vehicle being covered;"

Page 2, delete line 21 and insert:

"(4) the make, model, and year of the vehicle being covered;"

Page 3, line 13, delete "subdivision" and insert "section"

Page 3, line 17, after "causes" insert "or contributes to causing"

Page 6, line 34, after "card" insert ", as defined under section 65B.482, subdivision 2," and after "policy" insert ", as defined under section 65B.482, subdivision 4,"

Page 6, line 36, after "statement" insert ", as defined under section 65B.482, subdivision 3,"

Page 7, line 8, after the period insert "It is not a defense to service that a person failed to file a change of address with the post office or failed to notify the department of public safety of a change of name or address as required under section 171.11."

Page 7, line 22, after "send" insert "or provide"

Page 7, line 29, after the second "Notice" insert "by mail"

Page 8, line 11, before "Commercial" insert "Buses or other commercial vehicles operated by the metropolitan transit commission,"

Page 8, line 21, delete everything after "motorcycle"

Page 8, line 22, delete "vehicle or motorcycle"

Page 8, line 29, delete "65B.481" and insert "169.791"

Page 8, line 34, after "card" insert ", as defined under section 65B.482, subdivision 2,"

Page 8, line 35, after "policy" insert ", as defined under section 65B.482, subdivision 4,"

Page 8, line 36, after "statement" insert ", as defined under section 65B.482, subdivision 3,"

Page 9, line 13, after "send" insert "or provide"

Page 9, line 20, after "Notice" insert "by mail"

Page 12, line 12, before "Commercial" insert "Buses or other commercial vehicles operated by the metropolitan transit commission,"

Page 13, line 4, delete "and"

Page 13, line 5, delete "information" and after the period insert "An insurance company or its agent acting on its behalf, or an authorized person who releases the above information, whether oral or written, acting in good faith, is immune from any liability, civil or criminal."

Page 13, delete section 15

Renumber the remaining sections in sequence

Correct internal cross references

Amend the title as follows:

Page 1, line 13, delete "171.29, subdivision 1,"

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. 1201, A bill for an act relating to the environment; regulating genetic engineering; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116C.

Reported the same back with the following amendments:

Page 1, delete lines 11 to 17, and insert:

"Subd. 3. [GENETIC ENGINEERING.] "Genetic engineering" means the introduction of new genetic material to an organism or the regrouping of an organism's genes using techniques or technology designed by humans. This does not include selective breeding, hybridization, or nondirected mutagenesis.

Subd. 4. [GENETICALLY ENGINEERED ORGANISM.] "Genetically engineered organism" means an organism derived from genetic engineering.

Subd. 5. [ORGANISM.] "Organism" means any animal, plant, bacterium, cyanobacterium, fungus, protist, or virus.

Subd. 6. [RELEASE.] "Release" means the placement or use of a genetically engineered organism outside a contained laboratory, greenhouse, building, structure, or other similar facility or under any other conditions not specifically determined by the board to be adequately contained."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1216, A bill for an act relating to state lands; conveying title to state land in St. Cloud.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 1221, A bill for an act relating to education; allowing school districts to be considered providers under the state medical assistance plan; proposing coding for new law in Minnesota Statutes, chapter 124.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Health and Human Services.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1263, A bill for an act relating to taxation; allowing a special levy to city of White Bear Lake for certain reserve funds; amending Minnesota Statutes 1988, sections 275.50, subdivision 5, and by adding a subdivision; and 471.572, subdivision 2.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1267, A bill for an act relating to Anoka county; permitting the appointment of the auditor, recorder, and treasurer; authorizing the reorganization of county offices.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Skoglund from the Committee on Insurance to which was referred:

H. F. No. 1283, A bill for an act relating to insurance; property and casualty; regulating policy provisions, forms, nonrenewals, coverages; regulating trade practices in these and other lines; regulating the Minnesota joint underwriting association; making certain technical changes; amending Minnesota Statutes 1988, sections 60A.02, by adding a subdivision; 60A.06, by adding a subdivision; 60A.08, by

adding a subdivision; 60A.198, subdivision 3; 62I.02, subdivision 2; 62I.16, subdivision 3; 65A.29, subdivision 8, and by adding subdivisions; 65A.33, subdivision 3; 65B.15, subdivision 1; 65B.44, subdivision 3; 65B.47, subdivision 1; 65B.525, subdivision 1; 72A.20, subdivision 17, and by adding subdivisions; 72A.201, subdivision 5, and by adding subdivisions; and 79.251, by adding a subdivision; repealing Minnesota Rules, part 2780.2700.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 60A.02, is amended by adding a subdivision to read:

Subd. 2a. [CONTINUED.] An insurance policy that is issued for a term in excess of one year or that has no specified term or that is designated as being continuous is “continued” each year on the anniversary date of the issuance of the policy.

Sec. 2. Minnesota Statutes 1988, section 60A.08, is amended by adding a subdivision to read:

Subd. 13. [REDUCTION OF LIMITS BY COSTS OF DEFENSE PROHIBITED.] No insurer shall issue or renew a policy of liability insurance in this state, other than professional liability insurance or insurance policies issued to large commercial risks, that reduces the limits of liability stated in the policy by the costs of legal defense.

For purposes of this subdivision, “large commercial risks” means an insured whose gross annual revenues in the fiscal year preceding issuance of the policy were at least \$10,000,000.

Sec. 3. Minnesota Statutes 1988, section 60A.17, subdivision 6c, is amended to read:

Subd. 6c. [REVOCAION OR SUSPENSION OF LICENSE.] (a) The commissioner may by order suspend or revoke an insurance agent’s or agency’s license issued to a natural person or impose a civil penalty appropriate to the offense, not to exceed \$5,000 upon that licensee, or both, if, after notice and hearing, the commissioner finds as to that licensee any one or more of the following conditions:

(1) any materially untrue statement in the license application;

(2) any cause for which issuance of the license could have been refused had it then existed and been known to the commissioner at the time of issuance;

(3) violation of, or noncompliance with, any insurance law or violation of any rule or order of the commissioner or of a commissioner of insurance of another state or jurisdiction;

(4) obtaining or attempting to obtain any license through misrepresentation or fraud;

(5) improperly withholding, misappropriating, or converting to the licensee's own use any money belonging to a policyholder, insurer, beneficiary, or other person, received by the licensee in the course of the licensee's insurance business;

(6) misrepresentation of the terms of any actual or proposed insurance contract;

(7) conviction of a felony or of a gross misdemeanor or misdemeanor involving moral turpitude;

(8) that the licensee has been found guilty of any unfair trade practice, as defined in chapters 60A to 72A, or of fraud;

(9) that in the conduct of the agent's affairs under the license, the licensee has used fraudulent, coercive, or dishonest practices, or the licensee has been shown to be incompetent, untrustworthy, or financially irresponsible;

(10) that the agent's license has been suspended or revoked in any other state, province, district, territory, or foreign country;

(11) that the licensee has forged another's name to an application for insurance; or

(12) that the licensee has violated subdivision 6b.

(b) The commissioner may by order suspend or revoke an insurance agent's or insurance agency's license issued to a partnership or corporation or impose a civil penalty not to exceed \$5,000 as provided for in section 45.027, subdivision 6, upon that licensee, or both, if, after notice and hearing, the commissioner finds as to that licensee, or as to any partner, director, shareholder, officer, or employee of that licensee, any one or more of the conditions set forth in paragraph (a).

(c) A revocation of a license shall prohibit the licensee from making a new application for a license for at least one year. Further, the commissioner may, as a condition of relicensure, require the applicant to file a reasonable bond for the protection of the citizens of this state, which bond shall be maintained by the licensee in full force for a period of five years immediately following issuance of the license, unless the commissioner at the commissioner's discretion

shall after two years permit the licensee to sooner terminate the maintenance filing of the bond.

(d) The commissioner may, in the manner prescribed by chapter 14, impose a civil penalty not to exceed \$5,000 upon a person whose license has lapsed, or been suspended, revoked, or otherwise terminated, for engaging in conduct prohibited by paragraph (a) before, during, or after the period of licensure.

Sec. 4. Minnesota Statutes 1988, section 60A.198, subdivision 3, is amended to read:

Subd. 3. [PROCEDURE FOR OBTAINING LICENSE.] A person licensed as an agent in this state pursuant to other law may obtain a surplus lines license by doing the following:

(a) filing an application in the form and with the information the commissioner may reasonably require to determine the ability of the applicant to act in accordance with sections 60A.195 to 60A.209;

(b) maintaining an agent's license in this state;

(c) delivering to the commissioner a financial guarantee bond from a surety acceptable to the commissioner for the greater of the following:

(1) \$5,000; or

(2) the largest semiannual surplus lines premium tax liability incurred by the applicant in the immediately preceding five years; and

(d) agreeing to file with the commissioner of revenue no later than February 15 and August 15 annually, a sworn statement of the charges for insurance procured or placed and the amounts returned on the insurance canceled under the license for the preceding six-month period ending December 31 and June 30 respectively, and at the time of the filing of this statement, paying the commissioner a tax on premiums equal to three percent of the total written premiums less cancellations; and

(e) annually paying a fee as prescribed by section 60A.14, subdivision 1, paragraph (c), clause ~~(11)~~ (14).

Sec. 5. Minnesota Statutes 1988, section 62I.02, subdivision 2, is amended to read:

Subd. 2. [DIRECTOR.] The association shall have a board of directors composed of 11 persons chosen annually as follows: five persons elected by members of the association at a meeting called by

the commissioner; three public members, as defined in section 214.02, appointed by the commissioner; and three members, appointed by the commissioner representing groups to whom coverage has been extended by the association. The terms of the members shall be four years. Terms may be staggered so that no more than six members are appointed or elected every two years. Members may serve until their successors are appointed or elected. If at any time no coverage is currently extended by the association, then either additional public members may be appointed to fill these three positions or, at the option of the commissioner, representatives from groups who had previously been covered by the association may serve as directors.

Sec. 6. Minnesota Statutes 1988, section 62I.16, subdivision 3, is amended to read:

Subd. 3. [SUPERVISION.] All money paid into the fund shall be held in trust escrow by the corporate trustee escrow administrator selected by the board of directors. The corporate trustee escrow administrator may invest the money held in trust escrow subject to the approval of the board. All investment income shall be credited to the fund. All expenses of the administration of the fund shall be charged against the fund. The money held in trust escrow shall be used solely for the purpose of discharging when due any retrospective premium charges payable by policyholders and any retrospective premium refunds payable to policyholders under the group retrospective rating plan. Payment of retrospective premium charges shall be made upon certification of the amount due. If all money accruing to the fund is exhausted in payment of retrospective premium charges, all liability and obligations of the association's policyholders with respect to the payment of retrospective premium charges shall terminate and shall be conclusively presumed to have been discharged. Any stabilization reserve fund charges from a particular policy year not used to pay retrospective premiums must be returned to policyholders after all claims and expense obligations from that particular policy year are satisfied.

Sec. 7. Minnesota Statutes 1988, section 65A.29, subdivision 8, is amended to read:

Subd. 8. [RULES.] (a) The commissioner may adopt rules pursuant to chapter 14, to specify the grounds for nonrenewal, reduction in limits of coverage, or elimination of coverage of a homeowner's policy. The rules must limit the grounds to the following factors:

(a) (1) reasons stated for cancellation in section 65A.01, subdivision 3a;

(b) (2) reasons stated in section 72A.20, subdivision 13;

(c) (3) insured's loss experience, not to include natural causes; and

(d) (4) other factors deemed reasonable by the commissioner.

The rules may give consideration to the form and content of the termination notice to the insured, a statement as to what constitutes receipt of the termination notice, and the procedure by which the insured may appeal a termination notice.

The rules adopted under this subdivision may provide for imposition of a monetary penalty not greater than \$500 per occurrence upon insurers who are found to be in violation of the law or the rules.

(b) In addition to any rules adopted under this subdivision, an insured may appeal any nonrenewal under this section to the commissioner of commerce. If the commissioner finds that the nonrenewal is unjustified, arbitrary, or capricious, the commissioner shall order the insurer to reinstate the insured's policy. The commissioner's order may be appealed pursuant to chapter 14. The insured's policy shall continue in force pending the conclusion of the appeal to the commissioner. The insurer must notify the insured of the insured's right to appeal the nonrenewal to the commissioner in the notice of nonrenewal required under subdivision 7.

Sec. 8. Minnesota Statutes 1988, section 65A.29, is amended by adding a subdivision to read:

Subd. 11. [NONRENEWAL PLAN.] Every insurer shall establish a plan that sets out the minimum number and amount of claims during an experience period that may result in a nonrenewal. A clear and concise written statement of this plan must be provided to the insured at the time claim forms and instructions are provided to the insured or a claimant under section 72A.201, subdivision 4.

The plan must, at a minimum, comply with the requirements of section 65A.29, subdivision 8, and the rules adopted by the commissioner.

Sec. 9. Minnesota Statutes 1988, section 65A.29, is amended by adding a subdivision to read:

Subd. 12. [DEFINITION.] For purposes of this section, "homeowner's insurance" includes mobile home insurance.

Sec. 10. Minnesota Statutes 1988, section 65A.33, subdivision 3, is amended to read:

Subd. 3. "Property or liability insurance" means the coverage against direct loss to real or tangible personal property at a fixed location that is provided in the standard fire policy, extended coverage endorsement, homeowners insurance, as defined in section 65A.27, subdivision 4, cooperative housing insurance, condominium

insurance, builders risk, and such vandalism and malicious mischief insurance and such other classes of insurance as may be added to the program with respect to said property by amendment as hereinafter provided. Property or liability insurance does not include automobile, farm, commercial liability, or such manufacturing risks as may be excluded by the commissioner.

Sec. 11. Minnesota Statutes 1988, section 65B.15, subdivision 1, is amended to read:

Subdivision 1. No cancellation or reduction in the limits of liability of coverage during the policy period of any policy shall be effective unless notice thereof is given and unless based on one or more reasons stated in the policy which shall be limited to the following:

1. Nonpayment of premium; or
2. The policy was obtained through a material misrepresentation; or
3. Any insured made a false or fraudulent claim or knowingly aided or abetted another in the presentation of such a claim; or
4. The named insured failed to disclose fully motor vehicle accidents and moving traffic violations of the named insured for the preceding 36 months if called for in the written application; or
5. The named insured failed to disclose in the written application any requested information necessary for the acceptance or proper rating of the risk; or
6. The named insured knowingly failed to give any required written notice of loss or notice of lawsuit commenced against the named insured, or, when requested, refused to cooperate in the investigation of a claim or defense of a lawsuit; or
7. The named insured or any other operator who either resides in the same household, unless the other operator is identified by name in any other policy as an insured; or customarily operates an automobile insured under such policy, unless the other operator is identified as a named insured in another policy as an insured:

(a) has, within the 36 months prior to the notice of cancellation, had that person's driver's license under suspension or revocation; or

(b) is or becomes subject to epilepsy or heart attacks, and such individual does not produce a written opinion from a physician testifying to that person's medical ability to operate a motor vehicle

safely, such opinion to be based upon a reasonable medical probability; or

(c) has an accident record, conviction record (criminal or traffic), physical condition or mental condition, any one or all of which are such that the person's operation of an automobile might endanger the public safety; or

(d) has been convicted, or forfeited bail, during the 24 months immediately preceding the notice of cancellation for criminal negligence in the use or operation of an automobile, or assault arising out of the operation of a motor vehicle, or operating a motor vehicle while in an intoxicated condition or while under the influence of drugs; or leaving the scene of an accident without stopping to report; or making false statements in an application for a driver's license, or theft or unlawful taking of a motor vehicle; or

(e) has been convicted of, or forfeited bail for, one or more violations within the 18 months immediately preceding the notice of cancellation, of any law, ordinance, or rule which justify a revocation of a driver's license.

8. The insured automobile is:

(1) so mechanically defective that its operation might endanger public safety; or

(2) used in carrying passengers for hire or compensation, provided however that the use of an automobile for a car pool shall not be considered use of an automobile for hire or compensation; or

(3) used in the business of transportation of flammables or explosives; or

(4) an authorized emergency vehicle; or

(5) subject to an inspection law and has not been inspected or, if inspected, has failed to qualify within the period specified under such inspection law; or

(6) substantially changed in type or condition during the policy period, increasing the risk substantially, such as conversion to a commercial type vehicle, a dragster, sports car or so as to give clear evidence of a use other than the original use.

Sec. 12. Minnesota Statutes 1988, section 65B.44, subdivision 3, is amended to read:

Subd. 3. [DISABILITY AND INCOME LOSS BENEFITS.] Disability and income loss benefits shall provide compensation for 85

percent of the injured person's loss of present and future gross income from inability to work proximately caused by the nonfatal injury subject to a maximum of \$250 per week. Loss of income includes the costs incurred by a self-employed person to hire substitute employees to perform tasks which are necessary to maintain the income of the injured person, which are normally performed by the injured person, and which cannot be performed because of the injury.

If the injured person is unemployed at the time of injury and is receiving or is eligible to receive unemployment benefits under chapter 268, but the injured person loses eligibility for those benefits because of inability to work caused by the injury, disability and income loss benefits shall provide compensation for the lost benefits in an amount equal to the unemployment benefits which otherwise would have been payable, subject to a maximum of \$250 per week.

Compensation under this subdivision shall be reduced by any income from substitute work actually performed by the injured person or by income the injured person would have earned in available appropriate substitute work which the injured person was capable of performing but unreasonably failed to undertake.

For the purposes of this section "inability to work" means disability which prevents the injured person from engaging in any substantial gainful occupation or employment on a regular basis, for wage or profit, for which the injured person is or may by training become reasonably qualified. If the injured person returns to employment and is unable by reason of the injury to work continuously, compensation for lost income shall be reduced by the income received while the injured person is actually able to work. The weekly maximums may not be prorated to arrive at a daily maximum, even if the injured person does not incur loss of income for a full week.

For the purposes of this section, an injured person who is "unable by reason of the injury to work continuously" includes, but is not limited to, a person who misses time from work, including reasonable travel time, and loses income, vacation, or sick leave benefits, to obtain medical treatment for an injury arising out of the maintenance or use of a motor vehicle.

Sec. 13. Minnesota Statutes 1988, section 65B.525, subdivision 1, is amended to read:

Subdivision 1. The supreme court and the several courts of general trial jurisdiction of this state shall by rules of court or other constitutionally allowable device, provide for the mandatory submission to binding arbitration of all cases at issue where the claim at the commencement of arbitration is in an amount of \$5,000 or less against any insured's reparation obligor for no-fault benefits or comprehensive or collision damage coverage.

Sec. 14. Minnesota Statutes 1988, section 72A.20, subdivision 17, is amended to read:

Subd. 17. [RETURN OF PREMIUMS.] (a) Refusing, upon surrender of an individual policy of life insurance, to refund to the estate of the insured owner all unearned premiums paid on the policy covering the insured as of the time of the insured's death if the unearned premium is for a period of more than one month.

The insurer may deduct from the premium any previously accrued claim for loss or damage under the policy.

For the purposes of this section, a premium is unearned during the period of time the insurer has not been exposed to any risk of loss.

(b) Refusing, upon termination or cancellation of a policy of automobile insurance under section 65B.14, subdivision 2, or a policy of homeowner's insurance under section 65A.27, subdivision 4, or a policy of accident and sickness insurance under section 62A.01, or a policy of comprehensive health insurance under chapter 62E, to refund to the insured all unearned premiums paid on the policy covering the insured as of the time of the termination or cancellation if the unearned premium is for a period of more than one month.

The insurer may deduct from the premium any previously accrued claim for loss or damage under the policy. This subdivision does not apply to policies of insurance providing coverage only for motorcycles or other seasonally rated or limited use vehicles where the rate is reduced to reflect seasonal or limited use.

For purposes of this section, a premium is unearned during the period of time the insurer has not been exposed to any risk of loss. Except for premiums for motorcycle coverage or other seasonally rated or limited use vehicles where the rate is reduced to reflect seasonal or limited use, the unearned premium is determined by multiplying the premium by the fraction that results from dividing the period of time the policy has been in force by the period of time for which the premium was paid and subtracting the result from the total premium paid.

The owner or insured may cancel a policy referred to in this section at any time during the policy period. This provision supersedes any inconsistent provision of law on any inconsistent policy provision.

Sec. 15. Minnesota Statutes 1988, section 72A.20, is amended by adding a subdivision to read:

Subd. 20. No insurance company doing business in this state shall engage in any selection or underwriting practice that is arbitrary, capricious, or unfairly discriminatory.

Sec. 16. Minnesota Statutes 1988, section 72A.20, is amended by adding a subdivision to read:

Subd. 21. [LIMITATIONS ON HEALTH CARE PROVIDERS.] No insurer providing benefits under the Minnesota no-fault automobile insurance act or a plan authorized by sections 471.617 or 471.98 to 471.982 may limit the type of licensed health care provider who may provide treatment for covered conditions under a policy so long as the services provided are within the scope of licensure for the provider. No insurer may exclude a specific method of treatment for a covered condition if that exclusion has the effect of excluding a specific type of licensed health care provider from treating a covered condition to a greater degree than other licensed health care providers.

This subdivision does not limit the right of an insurer to contract with individual members of any type of licensed health care provider to the exclusion of other members of the group, nor shall it limit the right to the insurer to exclude coverage for a type of treatment if the insurer can show the treatment is not medically necessary or is not medically appropriate.

Sec. 17. Minnesota Statutes 1988, section 72A.20, is amended by adding a subdivision to read:

Subd. 22. [DISCRIMINATION IN AUTOMOBILE INSURANCE POLICIES.] (a) No insurer that offers an automobile insurance policy in this state shall:

(1) use the failure of the applicant to have an automobile policy in force during any period of time before the application is made as an underwriting standard or guideline; or

(2) deny coverage to a policyholder for the same reason.

This provision does not apply if the applicant was required by law to maintain insurance coverage and failed to do so.

(b) No insurer that offers an automobile insurance policy in this state shall:

(1) use the employment status of the applicant as an underwriting standard or guideline; or

(2) deny coverage to a policyholder for the same reason.

(c) No insurer that offers an automobile insurance policy in this state shall:

(1) use the applicant's status as a tenant, as the term is defined in section 566.18, subdivision 2, as an underwriting standard or guideline; or

(2) deny coverage to a policyholder for the same reason.

Sec. 18. Minnesota Statutes 1988, section 72A.201, subdivision 5, is amended to read:

Subd. 5. [STANDARDS FOR FAIR SETTLEMENT OFFERS AND AGREEMENTS.] The following acts by an insurer, an adjuster, a self-insured, or a self-insurance administrator constitute unfair settlement practices:

(1) making any partial or final payment, settlement, or offer of settlement, which does not include an explanation of what the payment, settlement, or offer of settlement is for;

(2) making an offer to an insured of partial or total settlement of one part of a claim contingent upon agreement to settle another part of the claim;

(3) refusing to pay one or more elements of a claim by an insured for which there is no good faith dispute;

(4) threatening cancellation, rescission, or nonrenewal of a policy as an inducement to settlement of a claim;

(5) notwithstanding any inconsistent provision of section 65A.01, subdivision 3, failing to issue payment for any amount finally agreed upon in settlement of all or part of any claim within five business days from the receipt of the agreement by the insurer or from the date of the performance by the claimant of any conditions set by such agreement, whichever is later;

(6) failing to inform the insured of the policy provision or provisions under which payment is made;

(7) settling or attempting to settle a claim or part of a claim with an insured under actual cash value provisions for less than the value of the property immediately preceding the loss, including all applicable taxes and license fees. In no case may an insurer be required to pay an amount greater than the amount of insurance;

(8) except where limited by policy provisions, settling or offering to settle a claim or part of a claim with an insured under replacement value provisions for less than the sum necessary to replace the

damaged item with one of like kind and quality, including all applicable taxes, license, and transfer fees;

(9) reducing or attempting to reduce for depreciation any settlement or any offer of settlement for items not adversely affected by age, use, or obsolescence;

(10) reducing or attempting to reduce for betterment any settlement or any offer of settlement unless the resale value of the item has increased over the preloss value by the repair of the damage.

Sec. 19. Minnesota Statutes 1988, section 72A.201, is amended by adding a subdivision to read:

Subd. 11. [DISCLOSURE MANDATORY.] An insurer must disclose the coverage and limits of an insurance policy within 30 days after the information is requested in writing by a claimant.

Sec. 20. Minnesota Statutes 1988, section 72A.201, is amended by adding a subdivision to read:

Subd. 12. [PREJUDGMENT INTEREST.] If a judgment is entered against an insured, the principal amount of which is within the applicable policy limits, the insurer is responsible for the insured's share of the costs, disbursements, and prejudgment interest, as determined under section 549.09, included in the judgment even if the total amount of the judgment is in excess of the applicable policy limits.

Sec. 21. Minnesota Statutes 1988, section 79.251, is amended by adding a subdivision to read:

Subd. 6. [AGENTS.] No person shall be an agent for the assigned risk plan unless the person has been appointed an agent by the plan under a written agreement. This subdivision does not prohibit a person licensed as an insurance agent under section 60A.17 from submitting an application for coverage to the assigned risk plan or receiving a fee from the assigned risk plan for submitting the application. However, the agent is not an agent of the assigned risk plan for purposes of state law.

Sec. 22. [REPEALER.]

(a) Minnesota Statutes 1988, section 62I.12, is repealed.

(b) Minnesota Rules, part 2780.2700, is repealed.

Sec. 23. [REPORT.]

The department of commerce shall, in a report to the legislature, review any selection or underwriting process used by insurance companies and the supporting data, actuarial projections, or claims experience established by insurance companies as required by Minnesota Statutes, section 72A.20, subdivision 19. The report must review the effect to consumers in this state of the rates charged, the availability of coverages, and other factors the commissioner considers appropriate.

The report is limited to a review of the following coverages: automobile; life; health; and other coverages the commissioner considers appropriate.

The report shall be submitted to the legislature by January 15, 1991.

Sec. 24. [EFFECTIVE DATES.]

Sections 1, 3 to 7, and 10 to 23 are effective the day following final enactment.

Sections 2 and 9 are effective for policies issued or renewed on or after August 1, 1989.

Section 8 is effective August 1, 1989."

Delete the title and insert:

"A bill for an act relating to insurance; property and casualty; regulating policy provisions, forms, nonrenewals, coverages; regulating trade practices in these and other lines; regulating the Minnesota joint underwriting association; making certain technical changes; amending Minnesota Statutes 1988, sections 60A.02, by adding a subdivision; 60A.08, by adding a subdivision; 60A.17, subdivision 6c; 60A.198, subdivision 3; 62I.02, subdivision 2; 62I.16, subdivision 3; 65A.29, subdivision 8, and by adding subdivisions; 65A.33, subdivision 3; 65B.15, subdivision 1; 65B.44, subdivision 3; 65B.525, subdivision 1; 72A.20, subdivision 17, and by adding subdivisions; 72A.201, subdivision 5, and by adding subdivisions; and 79.251, by adding a subdivision; repealing Minnesota Statutes 1988, section 62I.12; and Minnesota Rules, part 2780.2700."

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1308, A bill for an act relating to state government; extending the expiration date on certain advisory councils; amending Minnesota Statutes 1988, section 15.059, subdivision 5; repealing Minnesota Statutes 1988, section 84B.11, subdivision 4.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1311, A bill for an act relating to state employees; providing a policy prohibiting racial harassment; requiring discipline for employees who engage in racial harassment; amending Minnesota Statutes 1988, section 43A.01, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [15.85] [DISCIPLINE FOR RACIAL HARASSMENT.]

It is the policy of this state that each public employee has the right to work in an environment free from harassment based on race or disability and that any public employee who harasses another public employee because of disability, race, creed, color, or national origin will be subject to disciplinary action, including discharge.”

Delete the title and insert:

“A bill for an act relating to public employees; providing a policy prohibiting harassment based on race or disability; requiring discipline for employees who engage in harassment; proposing coding for new law in Minnesota Statutes, chapter 15.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1330, A bill for an act relating to agriculture; changing

the dairy industry checkoff rate; amending Minnesota Statutes 1988, section 17.59, by adding a subdivision.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 1352, A bill for an act relating to intoxicating liquor; authorizing the city of Blaine to issue one additional on-sale license.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Otis from the Committee on Economic Development to which was referred:

H. F. No. 1386, A bill for an act relating to economic development; transferring programs under the Minnesota agricultural and economic development board to the department of trade and economic development; changing the governing structure of the certified development company; transferring program responsibilities for the allocation of bonding authority to the department of finance; eliminating certain reporting requirements; amending Minnesota Statutes 1988, sections 41A.01; 41A.02, subdivisions 7a, 15, 16, and by adding subdivisions; 41A.021; 41A.022; 41A.023; 41A.03, subdivision 3; 41A.035; 41A.036, subdivisions 1, 4, 5, and 6; 41A.04; 41A.05, subdivisions 1, 2, 3, and 4; 41A.051; 41A.06, subdivisions 2, 4, and 5; 41A.07; 41A.08; 469.175, subdivision 2; and 474A.02, subdivision 5a; proposing coding for new law in Minnesota Statutes, chapter 116J; repealing Minnesota Statutes 1988, sections 41A.02, subdivision 3; 41A.065; and 469.012, subdivision 5.

Reported the same back with the following amendments:

Page 18, after line 25, insert:

“Sec. 27. Minnesota Statutes 1988, section 116J.64, subdivision 7, is amended to read:

Subd. 7. An Indian desiring a loan for the purpose of starting a business enterprise, expanding an existing business, or for technical and management assistance, shall make application to the Indian

affairs council. The Indian affairs council shall prescribe the necessary forms and advise the prospective borrower as to the conditions under which the application may be expected to receive favorable consideration. The application shall be forwarded to the appropriate tribal council, if it is participating in the program, for approval or disapproval, and shall be in conformity with the plans submitted by said tribal councils. If the tribal council is not participating in the program, the Indian affairs council may directly administer the loan. If the application is approved, the Indian affairs council shall forward the application, together with all relevant documents pertinent thereto, to the commissioner of finance, who shall draw a warrant in favor of the applicable tribal council or the Indian affairs council, if it is administering the loan, with appropriate notations identifying the borrower. The tribal council or the Indian affairs council, if it is administering the loan, shall thereafter reimburse suppliers and vendors for purchases of equipment, real estate and inventory made by the borrower pursuant to the conditions or guidelines established by the Indian affairs council. The tribal council or the Indian affairs council, if it is administering the loan, shall maintain records of transactions for each borrower in a manner consistent with good accounting practice. Simple interest at two percent of the amount of the debt owed shall be charged. When any portion of a debt is repaid, the tribal council or the Indian affairs council, if it is administering the loan, shall remit the amount so received plus interest paid thereon to the state treasurer through the Indian affairs council. The amount so received shall be credited to the Indian business loan account. The tribal council or the Indian affairs council, if it is administering the loan, shall secure a fidelity bond from a surety company, in favor of the state treasurer, in an amount equal to the maximum amount to the credit of its loan account during the fiscal year. On the placing of a loan, additional money equal to ten percent of the total amount made available to any tribal council or the Indian affairs council, if it is administering the loan, for loans during the fiscal year shall be paid to the council prior to December 31 for the purpose of financing administrative costs."

Page 22, after line 16, insert:

"Sec. 31. Minnesota Statutes 1988, section 474A.02, subdivision 6, is amended to read:

Subd. 6. [DEPARTMENT; DEPARTMENT OF TRADE AND ECONOMIC DEVELOPMENT.] "Department" means the department of trade and economic development finance."

Page 22, line 29, delete "27" and insert "28"

Reorder the sections in sequence

Amend the title as follows:

Page 1, line 6, after the semicolon insert "changing requirements for loans to Indians;"

Page 1, line 15, after "41A.08;" insert "116J.64, subdivision 7;"

Page 1, line 16, delete "subdivision 5a" and insert "subdivisions 5a and 6"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1396, A bill for an act relating to natural resources; promoting Minnesota horticultural peat; appropriating money.

Reported the same back with the following amendments:

Page 1, line 6, delete "\$790,000" and insert "\$390,000"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Agriculture.

The report was adopted.

Osthoff from the Committee on Financial Institutions and Housing to which was referred:

H. F. No. 1421, A bill for an act relating to surplus United States government property; directing the commissioner of natural resources to seek acquisition of certain surplus property of the United States government; directing the commissioner to lease the property to a nonprofit organization for development as housing for certain homeless veterans and their families.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1422, A bill for an act relating to agriculture; establishing an agricultural landlord rental incentive program under the

rural finance authority; authorizing certain payments to owners of farmland; redirecting distributions of certain unclaimed property; appropriating money; amending Minnesota Statutes 1988, section 308.12, subdivision 5; proposing coding for new law in Minnesota Statutes, chapter 41B.

Reported the same back with the following amendments:

Page 2, line 18, after "landowner" insert ", for no more than five years,"

Page 2, line 20, delete the comma and insert a semicolon

Page 2, line 22, before the period insert "per year"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 1435, A bill for an act relating to liquor; authorizing issuance of a certain on-sale license in Todd county.

Reported the same back with the following amendments:

Page 1, line 9, after "on-sale" insert "intoxicating"

Page 1, line 10, delete "lesser" and after "capacity" insert "of at least 50 persons"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1452, A bill for an act relating to natural resources; providing for a deficiency in the appropriation for emergency deer feeding; appropriating money.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Osthoff from the Committee on Financial Institutions and Housing to which was referred:

H. F. No. 1456, A resolution memorializing the President, Congress, and the director of the United States General Services Administration to arrange for prompt lease of certain surplus United States government properties to a nonprofit organization for use as housing for homeless, near homeless, and displaced veterans and their families.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1471, A bill for an act relating to agriculture; authorizing the commissioner to investigate cheese marketing arrangements; amending Minnesota Statutes 1988, section 17.03, by adding a subdivision.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 1472, A resolution memorializing the President and Congress to assure fair treatment for Minnesota dairy farmers.

Reported the same back with the following amendments:

Page 1, line 16, delete "18,500" and insert "16,300"

Page 2, line 32, delete "\$15,000" and insert "\$30,753"

Page 3, line 17, delete "and" and insert "Now, Therefore,"

Page 3, delete lines 18 to 23

Page 3, line 30, delete "produced in the Upper Midwest" and insert "be made uniform across the United States."

*Be It Further Resolved*, that the minimum support price for milk"

Page 3, line 31, delete "\$13.50" and insert "\$16.08"

Page 3, line 32, delete "\$13.50" and insert "\$16.08"

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:

S. F. No. 108, A bill for an act relating to natural resources; authorizing fees for special hunts; amending Minnesota Statutes 1988, section 97A.401, subdivision 4.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Osthoff from the Committee on Financial Institutions and Housing to which was referred:

S. F. No. 114, A bill for an act relating to the town of St. Augusta; authorizing the establishment of a detached banking facility under certain conditions.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

S. F. No. 192, A bill for an act relating to natural resources; increasing certain limits on security in lieu of bond for forestry development projects; amending Minnesota Statutes 1988, section 574.264, subdivision 1.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

S. F. No. 203, A bill for an act relating to intoxicating liquor; authorizing an on-sale liquor license for the Minneapolis convention center, the Orpheum Theatre, and the State Theatre; amending Minnesota Statutes 1988, section 340A.404, subdivision 2; repealing Laws 1973, chapter 505.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

S. F. No. 271, A bill for an act relating to game and fish; contents of firearms safety course for young hunters; amending Minnesota Statutes 1988, section 97B.015, subdivision 1.

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:

S. F. No. 332, A bill for an act relating to game and fish; open season for walleyed pike on the Rainy River; amending Minnesota Statutes 1988, section 97C.403, subdivision 3.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Osthoff from the Committee on Financial Institutions and Housing to which was referred:

S. F. No. 681, A bill for an act relating to housing; changing terminology in the temporary housing demonstration program; extending the authorized duration of transitional housing; providing for an annual report to the legislature; amending Minnesota Statutes 1988, section 268.38, subdivisions 1, 2, 4, 8, 11, and 12.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 159, 169, 212, 296, 438, 501, 505, 528, 611, 719, 740, 832, 955, 999, 1009, 1029, 1041, 1061, 1077, 1104, 1194, 1216, 1267, 1283, 1308, 1311, 1330, 1352, 1421, 1435, 1456, 1471 and 1472 were read for the second time.

## SECOND READING OF SENATE BILLS

S. F. Nos. 916, 382, 163, 831, 108, 114, 192, 203, 271, 332 and 681 were read for the second time.

## INTRODUCTION AND FIRST READING OF HOUSE BILLS

The following House Files were introduced:

Clark, Boo, Otis and Anderson, R., introduced:

H. F. No. 1519, A bill for an act relating to agriculture; requiring the labeling of paddy-grown wild rice and natural wild rice; establishing an Indian wild rice promotion council; providing penalties; appropriating money; amending Minnesota Statutes 1988, section 30.49; proposing coding for new law in Minnesota Statutes, chapter 30.

The bill was read for the first time and referred to the Committee on Agriculture.

**Murphy introduced:**

H. F. No. 1520, A bill for an act relating to taxation; extending the time for holding tax exempt economic development property for the city of Hermantown; amending Laws 1988, chapter 719, article 19, sections 31 and 38.

The bill was read for the first time and referred to the Committee on Taxes.

**Lasley, McEachern, Jennings and Onnen introduced:**

H. F. No. 1521, A bill for an act relating to utilities; providing for extended area telephone service in the metropolitan area.

The bill was read for the first time and referred to the Committee on Regulated Industries.

**Nelson, C.; Brown; Redalen; Dauner and Wenzel introduced:**

H. F. No. 1522, A bill for an act relating to agriculture; providing for arbitration of seed claims; proposing coding for new law in Minnesota Statutes, chapter 21.

The bill was read for the first time and referred to the Committee on Agriculture.

**Schreiber, Jacobs, Pauly, Scheid and Bennett introduced:**

H. F. No. 1523, A bill for an act relating to taxation; income; providing indexing of tax brackets for taxable years beginning after December 31, 1988; amending Minnesota Statutes 1988, section 290.06, subdivision 2d.

The bill was read for the first time and referred to the Committee on Taxes.

**Carruthers; Johnson, A.; McGuire and Pauly introduced:**

H. F. No. 1524, A bill for an act relating to education; providing for cost of living differential revenue; appropriating money; amending Minnesota Statutes 1988, section 124A.22, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 124A.

The bill was read for the first time and referred to the Committee on Education.

Conway introduced:

H. F. No. 1525, A bill for an act relating to veterans; providing for establishment of a veterans home in Waseca; proposing coding for new law in Minnesota Statutes, chapter 198.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Beard introduced:

H. F. No. 1526, A bill for an act relating to the organization and operation of state government; requiring review of agency rules by committees of the senate; proposing coding for new law in Minnesota Statutes, chapter 14.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Rice, Begich, Battaglia, Beard and Sarna introduced:

H. F. No. 1527, A bill for an act relating to labor; making collective bargaining agreements binding upon transferee employers; defining transferee employer; creating certain exclusions; requiring the disclosure of collective bargaining agreements; providing a penalty; proposing coding for new law in Minnesota Statutes, chapter 179.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Rodosovich and Vanasek introduced:

H. F. No. 1528, A bill for an act relating to human services; designating the Faribault Regional Center to provide special services to certain persons who are developmentally disabled, mentally ill or brain-injured; expanding skilled nursing care at the facility; authorizing special crisis and respite care; expanding the authority of regional centers and state nursing homes to enter into shared services agreements; authorizing regional centers and state nursing homes to provide professional services for a fee; creating a revolving fund; authorizing establishment of additional state-operated community programs; appropriating money; amending Minnesota Statutes 1988, sections 245.0311; 245.0312; 246.50, subdivisions 3, 4, and by adding a subdivision; 246.57; 252.50; and 253.015; proposing coding for new law in Minnesota Statutes, chapter 246; proposing coding for new law as Minnesota Statutes, chapter 252B.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Gruenes, Stanius, Jennings and Forsythe introduced:

H. F. No. 1529, A bill for an act relating to human services; adopting the asset limitations used by the veterans homes for purposes of determining medical assistance eligibility for veterans; amending Minnesota Statutes 1988, section 256B.056, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Lieder; Frederick; Anderson, G.; Bennett and Sparby introduced:

H. F. No. 1530, A bill for an act relating to commerce; regulating business relations between manufacturers of heavy and utility equipment and independent retail dealers of those products; proposing coding for new law in Minnesota Statutes, chapter 325E.

The bill was read for the first time and referred to the Committee on Commerce.

Solberg, Begich, Quinn and Rukavina introduced:

H. F. No. 1531, A bill for an act relating to utilities; including wholesale electric cooperative associations under the definition of public utility for purposes of regulation by the state; amending Minnesota Statutes 1988, section 216B.02, subdivision 4.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Dawkins; Otis; Boo; Anderson, R., and Ogren introduced:

H. F. No. 1532, A bill for an act relating to utilities; low-income energy needs; designating the department of public service as the agency responsible for coordinating energy policy for low-income Minnesotans; requiring the department to gather certain information on low-income energy programs; prescribing certain uses for oil overcharge money; appropriating money; amending Minnesota Statutes 1988, sections 216B.241, subdivisions 1 and 2; 216C.02, subdivision 1; 216C.10; 216C.11; 216C.27, by adding a subdivision; and 504.185, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 216B.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Waltman; Johnson, V.; Lasley and Sparby introduced:

H. F. No. 1533, A bill for an act relating to the environment; establishing a petroleum storage tank replacement and retrofit program in the pollution control agency; authorizing grants to petroleum retailers; providing for the imposition of the petroleum tank release cleanup fee and expenditures from the petroleum tank release cleanup fund; amending Minnesota Statutes 1988, section 115C.08, subdivisions 2 and 4; proposing coding for new law in Minnesota Statutes, chapter 115C.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Nelson, K., introduced:

H. F. No. 1534, A bill for an act relating to education; establishing grants for parent-to-parent support programs; appropriating money; amending Minnesota Statutes 1988, section 120.17, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Education.

Richter introduced:

H. F. No. 1535, A bill for an act relating to health; authorizing swing beds in rural hospitals with 50 to 100 beds; amending Minnesota Statutes 1988, section 144.562, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Lasley, Peterson and Jennings introduced:

H. F. No. 1536, A bill for an act relating to education; authorizing a special capital loan for independent school district No. 314, Braham; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

**Olson, K.; Cooper; Bauerly; Hugoson and Ozment introduced:**

H. F. No. 1537, A bill for an act relating to education; establishing revenue for cooperating districts to improve educational programs; establishing revenue for districts to cooperate for a certain time and combine; appropriating money; amending Minnesota Statutes 1988, sections 122.43, subdivision 1; 124A.22, subdivisions 5, 6, and by adding a subdivision; and 275.125, subdivision 8e; proposing coding for new law in Minnesota Statutes, chapters 122; 124; and 129B.

The bill was read for the first time and referred to the Committee on Education.

**Jefferson and McLaughlin introduced:**

H. F. No. 1538, A bill for an act relating to state government; creating the council on Martin Luther King, Jr. holidays and providing for the council's powers and duties; proposing coding for new law as Minnesota Statutes, chapter 44B.

The bill was read for the first time and referred to the Committee on Governmental Operations.

**Sparby; Olson, E.; Wenzel; Lieder and Uphus introduced:**

H. F. No. 1539, A bill for an act relating to agriculture; providing assistance for establishing a barley research and promotion council; appropriating money.

The bill was read for the first time and referred to the Committee on Agriculture.

**Heap and Battaglia introduced:**

H. F. No. 1540, A bill for an act relating to local government; regulating storm sewer improvements in Plymouth and Golden Valley; amending Laws 1979, chapter 303, article 10, section 15.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

**Reding and Sparby introduced:**

H. F. No. 1541, A bill for an act relating to conservation; use of windbreaks on conservation acreage; amending Minnesota Statutes 1988, sections 40.43, subdivision 3; and 272.02, subdivision 1.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Dawkins introduced:

H. F. No. 1542, A bill for an act relating to disabled persons; creating an adaptive equipment loan guarantee program governed by a board of directors; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116J.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Ogren, Onnen, Dauner, Welle and McEachern introduced:

H. F. No. 1543, A bill for an act relating to occupations and professions; regulating unlicensed mental health service providers; appropriating money; amending Minnesota Statutes 1988, sections 148B.01, subdivision 5; 148B.40, by adding a subdivision; 148B.41; 148B.42; 148B.44, subdivision 1; 148B.45, subdivision 1; 148B.46, subdivision 1; and 148B.48; proposing coding for new law in Minnesota Statutes, chapter 148B; repealing Minnesota Statutes 1988, section 148B.43.

The bill was read for the first time and referred to the Committee on Health and Human Services.

McPherson, Frederick, Omann, Richter and Poppenhagen introduced:

H. F. No. 1544, A bill for an act relating to judicial commitment; requiring the commissioner of corrections to screen criminal sexual conduct offenders before their release from prison to determine if they are psychopathic personalities; requiring the institution of proceedings under the psychopathic personality statute when indicated by the screening examination; amending Minnesota Statutes 1988, section 526.10; proposing coding for new law in Minnesota Statutes, chapter 244.

The bill was read for the first time and referred to the Committee on Judiciary.

McPherson, Hugoson, Girard, Richter and Omann introduced:

H. F. No. 1545, A bill for an act relating to crimes; authorizing stay of imposition or execution of sentence only for first convictions of certain criminal sexual conduct offenses; requiring certain sexual

offenders who receive probation to have treatment in secure facilities; providing extended terms of imprisonment and restricted supervised release for persons convicted a third time for violent sexual offenses; creating a bipartisan audit committee to review the sentencing guidelines system; appropriating money; amending Minnesota Statutes 1988, sections 609.342, subdivision 3; 609.343, subdivision 3; 609.344, subdivision 3; 609.345, subdivision 3; and 609.346, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 609.

The bill was read for the first time and referred to the Committee on Judiciary.

McPherson, Hugoson, Richter, Haukoos and Girard introduced:

H. F. No. 1546, A bill for an act relating to education; exempting employment by a school district from certain requirements relating to employment of rehabilitated criminal offenders; amending Minnesota Statutes 1988, section 364.09.

The bill was read for the first time and referred to the Committee on Judiciary.

Greenfield; Clark; Anderson, R., and Murphy introduced:

H. F. No. 1547, A bill for an act relating to human services; providing for a supplementary payment for families who are adversely affected by the budgeting methods under the aid to families with dependent children program; amending Minnesota Statutes 1988, section 256.74, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Scheid, Bertram, Peterson and Boo introduced:

H. F. No. 1548, A bill for an act relating to financial institutions; regulating charges and fees on loans and extensions of credit by financial institutions and others; making various internal reference changes; amending Minnesota Statutes 1988, sections 47.20, subdivision 2; 51A.02, subdivision 14; 51A.38, subdivision 3; 51A.385, subdivisions 4, 5, 6, 7, 8, 9, 12, and 13; 51A.50; 51A.51, subdivision 4; 51A.53; 51A.55, subdivisions 1 and 2; 51A.56; 51A.57; 56.131, subdivision 1; 168.72, subdivision 1; 168.73; and 507.45, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 47.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Osthoff, Abrams, O'Connor, Bertram and Dawkins introduced:

H. F. No. 1549, A bill for an act relating to financial institutions; establishing a system for the reporting and rating of community investment by financial institutions; proposing coding for new law in Minnesota Statutes, chapter 47.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Dorn; Trimble; Carlson, L.; Morrison and Heap introduced:

H. F. No. 1550, A bill for an act relating to human services; requiring counties to contract with post-secondary education institutions regarding child care payments for students on AFDC; guaranteeing continued child care assistance to eligible students who change their county of residence; appropriating money; amending Minnesota Statutes 1988, sections 256.736, subdivision 8; and 256H.08.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Otis, Clark, Greenfield, Rice and Nelson, K., introduced:

H. F. No. 1551, A bill for an act relating to retirement; providing for the funding of certain retirement fund deficiencies; amending Minnesota Statutes 1988, sections 275.125, by adding a subdivision; and 354A.12, subdivision 2, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Anderson, G., introduced:

H. F. No. 1552, A bill for an act relating to human services; increasing the limit for swing beds; amending Minnesota Statutes 1988, section 144.562, subdivision 2.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Abrams introduced:

H. F. No. 1553, A bill for an act relating to elections; requiring county auditors to provide a sample ballot for classroom use; proposing coding for new law in Minnesota Statutes, chapter 204D.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Wenzel introduced:

H. F. No. 1554, A bill for an act relating to appropriations; appropriating money for a grant to the city of Baxter for a sewer interceptor line.

The bill was read for the first time and referred to the Committee on Appropriations.

Blatz introduced:

H. F. No. 1555, A bill for an act relating to fees; providing for fees charged by county recorder; amending Minnesota Statutes 1988, section 357.18, subdivision 1.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Bishop, Krueger, Kahn, Miller and Sparby introduced:

H. F. No. 1556, A bill for an act relating to the legislature; changing the name of the legislative commission on planning and fiscal policy to the legislative commission on budget and fiscal policy; prescribing powers and duties of the commission; appropriating money; amending Minnesota Statutes 1988, sections 3.885; 3.98, subdivision 1; and 3.982.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Reding and Welle introduced:

H. F. No. 1557, A bill for an act relating to taxation; income; exempting tier one railroad retirement benefits; amending Minnesota Statutes 1988, section 290.01, subdivision 19b.

The bill was read for the first time and referred to the Committee on Taxes.

Peterson; Johnson, R.; Skoglund; Carruthers and Lasley introduced:

H. F. No. 1558, A bill for an act relating to insurance; property and

casualty; regulating rates, trade practices, and claims settlement practices; eliminating the bond requirement for notary publics; providing remedies; prescribing a penalty; amending Minnesota Statutes 1988, sections 70A.01, subdivision 2; 70A.04, subdivision 2; 70A.05; 70A.06, subdivision 1; 70A.07; 70A.19; 70A.21, subdivision 3; 72A.20, by adding a subdivision; 72A.201, by adding a subdivision; 359.02; and 359.071; proposing coding for new law in Minnesota Statutes, chapters 70A; and 72A; repealing Minnesota Statutes 1988, sections 70A.10; and 70A.21, subdivision 2.

The bill was read for the first time and referred to the Committee on Insurance.

Battaglia; Munger; Trimble; Johnson, V., and Carlson, D., introduced:

H. F. No. 1559, A bill for an act relating to natural resources; establishing a state shoreland management grant program; authorizing grants-in-aid to local government units; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 105.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Battaglia, Munger, Trimble and Carlson, D., introduced:

H. F. No. 1560, A bill for an act relating to natural resources; authorizing the Elephant Creek impoundment in St. Louis county.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Clark and Greenfield introduced:

H. F. No. 1561, A bill for an act relating to human rights; requiring bias crime curriculum; proposing coding for new law in Minnesota Statutes, chapter 363.

The bill was read for the first time and referred to the Committee on Judiciary.

Welle, Ogren, Greenfield, Gruenes and Vellenga introduced:

H. F. No. 1562, A bill for an act relating to human services; providing for cost-based reimbursement for outpatient services provided by pediatric specialty hospitals to children under age 18 under the medical assistance and general assistance medical care

programs; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 256B.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Clark introduced:

H. F. No. 1563, A bill for an act relating to economic development; changing the requirements for loans to Indians; amending Minnesota Statutes 1988, section 116J.64, subdivision 7.

The bill was read for the first time and referred to the Committee on Economic Development.

Dille, Clark, Wenzel, Cooper and Uphus introduced:

H. F. No. 1564, A bill for an act relating to agriculture; establishing a health screening and intervention program for herbicide and fumigant applicators; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 17.

The bill was read for the first time and referred to the Committee on Agriculture.

Frerichs and Tompkins introduced:

H. F. No. 1565, A bill for an act relating to human services; establishing requirements for insurance and medical assistance payments for ambulance services; proposing coding for new law in Minnesota Statutes, chapter 62A.

The bill was read for the first time and referred to the Committee on Health and Human Services.

McGuire; Johnson, V.; Dorn; Trimble and Gruenes introduced:

H. F. No. 1566, A bill for an act relating to education; appropriating money to the HECB for the equivalent of four years of financial aid for post-secondary students.

The bill was read for the first time and referred to the Committee on Education.

Segal introduced:

H. F. No. 1567, A bill for an act relating to employment; requiring employers to continue salary while employees serve on jury duty; amending Minnesota Statutes 1988, section 593.50, subdivisions 2, 3, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Carlson, L.; Price; Orenstein; Morrison and Quinn introduced:

H. F. No. 1568, A bill for an act relating to individual income taxation; allowing a subtraction for certain post-secondary education expenses; amending Minnesota Statutes 1988, section 290.01, subdivision 19b.

The bill was read for the first time and referred to the Committee on Taxes.

Johnson, A.; Lasley; Kelso and Seaberg introduced:

H. F. No. 1569, A bill for an act relating to highways; abolishing authority of a city to disapprove the abandonment, change, or revocation of a county state-aid highway; providing that 30 percent of the county state-aid highway fund be apportioned on the basis of lane-miles; changing the composition of the county state-aid screening board; amending Minnesota Statutes 1988, sections 162.02, subdivision 10; and 162.07, subdivisions 1 and 5.

The bill was read for the first time and referred to the Committee on Transportation.

Lasley, Bauerly, Scheid, McEachern and Weaver introduced:

H. F. No. 1570, A bill for an act relating to education; providing that school levy increases approved by referendum be spread only against classes of property that include residential property; amending Minnesota Statutes 1988, section 124A.03, subdivision 2.

The bill was read for the first time and referred to the Committee on Education.

Peterson, Marsh, Bertram and Bauerly introduced:

H. F. No. 1571, A bill for an act relating to courts; authorizing appointment of a law clerk for each judge in the seventh judicial

district; amending Minnesota Statutes 1988, section 484.545, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Pelowski, McEachern, Bauerly and Weaver introduced:

H. F. No. 1572, A bill for an act relating to education; prohibiting corporal punishment; allowing reasonable force for protection from assault; requiring the filing of a report; proposing coding for new law in Minnesota Statutes, chapter 120.

The bill was read for the first time and referred to the Committee on Education.

Ozment introduced:

H. F. No. 1573, A bill for an act relating to retirement; volunteer firefighters; excluding volunteer firefighters serving with the Hastings fire department from the definition of public employee.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Simoneau and Heap introduced:

H. F. No. 1574, A bill for an act relating to corporations; providing that the control share acquisition and business combination statutes apply to certain corporations unless they elect not to be covered; clarifying application of the statutes; reducing the period of time that business combinations may be regulated from five years to three years; removing restrictions on business combinations if an interested shareholder acquires at least 90 percent of the voting shares; modifying requirements for the use of committees to determine whether a corporation should pursue certain legal remedies; providing that meeting notices do not have to be sent to shareholders when mail has been returned undeliverable; amending Minnesota Statutes 1988, sections 302A.011, subdivisions 41 and 49; 302A.243; 302A.435, subdivision 1; 302A.671, subdivision 1; and 302A.673, subdivisions 1 and 3.

The bill was read for the first time and referred to the Committee on Commerce.

Vellenga, Wagenius, Pappas, Seaberg and Blatz introduced:

H. F. No. 1575, A bill for an act relating to adoption; changing the minimum age at which an adopted person may request original birth certificate information; changing time periods during which birth parents may consent to disclosure; authorizing disclosure of information on the consenting parent when only one birth parent consents; amending Minnesota Statutes 1988, section 259.49, subdivisions 1, 2, and 4.

The bill was read for the first time and referred to the Committee on Judiciary.

Sviggum, Waltman, Rodosovich, Schafer and Conway introduced:

H. F. No. 1576, A bill for an act relating to education; providing equity in revenue for all school districts; proposing coding for new law in Minnesota Statutes, chapter 124A.

The bill was read for the first time and referred to the Committee on Education.

Simoneau introduced:

H. F. No. 1577, A bill for an act relating to credit unions; creating a credit union supervisory board to supervise and regulate credit unions; authorizing the appointment of a commissioner of credit unions; transferring the supervision of credit unions from the commissioner of commerce to the commissioner of credit unions; prescribing the commissioner's powers and duties; amending Minnesota Statutes 1988, sections 46.01, subdivision 1; 46.04, subdivision 1; 46.05; 46.07, subdivision 2; 46.09, subdivisions 1 and 2; 46.131, subdivisions 2 and 8; 46.23, subdivision 4; 52.01; 52.02, subdivision 3; 52.03, subdivision 3; 52.04, subdivision 1; 52.06, subdivisions 1 and 2; 52.061; 52.062, subdivisions 1, 2, and 3; 52.063; 52.064, subdivisions 1 and 2; 52.08; 52.09, subdivision 2; 52.141; 52.15, subdivision 2; 52.165, subdivision 2; 52.17, subdivisions 1 and 2; 52.20, subdivisions 1, 2, 4, 5, and 6; 52.201; 52.203; 52.21; 52.24, subdivisions 1 and 2; proposing coding for new law in Minnesota Statutes, chapter 52.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Segal and Swenson introduced:

H. F. No. 1578, A bill for an act relating to deprivation of parental rights; increasing penalties for parental kidnapping where weapon

is used, child is abused, or ransom is demanded; prohibiting concealing a child abducted in another state; amending Minnesota Statutes 1988, section 609.26, subdivisions 1 and 6.

The bill was read for the first time and referred to the Committee on Judiciary.

Rodosovich introduced:

H. F. No. 1579, A bill for an act relating to health; creating an exception to the nursing home moratorium; allowing pass-through of principal and interest on renovation of a nursing home to move existing licensed beds to another location in the nursing home; amending Minnesota Statutes 1988, sections 144A.071, subdivision 3; and 256B.431, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Health and Human Services.

McEachern, Battaglia, Onnen, Bauerly and Dille introduced:

H. F. No. 1580, A bill for an act relating to the town of Otsego; authorizing the town to establish an economic development authority and to exercise tax increment financing powers; granting the town the power of a city with respect to the authority.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Scheid introduced:

H. F. No. 1581, A bill for an act relating to commerce; securities regulation; exempting certain over-the-counter securities from registration requirements; amending Minnesota Statutes 1988, section 80A.15, subdivision 1.

The bill was read for the first time and referred to the Committee on Commerce.

Murphy and Battaglia introduced:

H. F. No. 1582, A bill for an act relating to local government; providing for the coordination of town and county planning and zoning; amending Minnesota Statutes 1988, section 394.33, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Cooper; Dille; Otis; Nelson, C., and Murphy introduced:

H. F. No. 1583, A bill for an act relating to rural development; providing for a rural community needs assessment model; appropriating money.

The bill was read for the first time and referred to the Committee on Economic Development.

Johnson, A.; Price and McGuire introduced:

H. F. No. 1584, A bill for an act relating to education; establishing metropolitan teacher centers; authorizing a levy; amending Minnesota Statutes 1988, section 275.125, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 125.

The bill was read for the first time and referred to the Committee on Education.

Otis, Long, Schreiber and Vanasek introduced:

H. F. No. 1585, A bill for an act relating to taxation; providing a schedule for distribution of political campaign checkoff money to political parties; amending Minnesota Statutes 1988, section 10A.31, subdivision 5.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Lieder, Tunheim, Dauner and Williams introduced:

H. F. No. 1586, A bill for an act relating to appropriations; providing emergency relief for Red River Valley area flooding.

The bill was read for the first time and referred to the Committee on Appropriations.

## MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate has concurred in and adopted the report of the Conference Committee on:

H. F. No. 214, A bill for an act relating to taxation; making technical corrections and clarifications to individual income and corporate franchise taxes; updating references to the Internal Revenue Code; imposing a tax and providing for withholding of certain payments to nonresidents; requiring surety payment by out-of-state contractors; amending Minnesota Statutes 1988, sections 290.01, subdivisions 4, 7, 19, 19a, 19b, 19c, 19d, 19e, and 19f; 290.06, subdivisions 2c and 22; 290.067, subdivision 1; 290.0802, subdivisions 1 and 2; 290.095, subdivision 9; 290.17, subdivisions 1 and 2; 290.311, subdivision 1; 290.92, by adding subdivisions; and 291.005, subdivision 1; proposing coding for new law in Minnesota Statutes, chapter 290; repealing Minnesota Statutes 1988, section 290.01, subdivision 6a.

The Senate has repassed said bill in accordance with the recommendation and report of the Conference Committee. Said House File is herewith returned to the House.

PATRICK E. FLAHAVEN, Secretary of the Senate

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 358 and 699.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 358, A bill for an act relating to liquor; clarifying license eligibility; changing the time of sale on certain holidays; allowing for the dispensing of samples of malt liquor; amending Minnesota Statutes 1988, sections 340A.402; 340A.504, subdivisions 2, 3, and 4; and 340A.510.

The bill was read for the first time.

Jacobs moved that S. F. No. 358 and H. F. No. 528, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 699, A bill for an act relating to alcoholic beverages; authorizing Cook county to issue an off-sale liquor license.

The bill was read for the first time.

Battaglia moved that S. F. No. 699 and H. F. No. 999, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

Otis was excused between the hours of 2:45 p.m. and 4:20 p.m.

### CONSENT CALENDAR

H. F. No. 966, A bill for an act relating to transportation; providing for the recording of transportation corridors other than streets or highways; removing legislative route 249 from the trunk highway system; amending Minnesota Statutes 1988, section 505.1792, 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 121 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Gruenes	Lasley	Orenstein	Segal
Anderson, R.	Gutknecht	Lieder	Osthoff	Simoneau
Battaglia	Hartle	Limmer	Ostrom	Skoglund
Bauerly	Hasskamp	Long	Ozment	Solberg
Beard	Haukoos	Lynch	Pappas	Sparby
Begich	Heap	Macklin	Pauly	Stanis
Bertram	Henry	Marsh	Pellow	Steensma
Blatz	Himle	McDonald	Pelowski	Sviggum
Boo	Hugoson	McEachern	Peterson	Swenson
Brown	Jacobs	McGuire	Poppenhagen	Tjornhom
Burger	Janezich	McPherson	Price	Tompkins
Carlson, D.	Jaros	Milbert	Pugh	Trimble
Carlson, L.	Jefferson	Miller	Quinn	Tunheim
Conway	Jennings	Morrison	Redalen	Uphus
Cooper	Johnson, A.	Munger	Rest	Valento
Dawkins	Johnson, R.	Murphy	Rice	Vellenga
Dempsey	Johnson, V.	Nelson, C.	Richter	Wagenius
Dille	Kalis	Neuenschwander	Rodosovich	Waltman
Dorn	Kelly	Ogren	Rukavina	Weaver
Forsythe	Kelso	Olsen, S.	Runbeck	Welle
Frederick	Kinkel	Olsen, E.	Schafer	Wenzel
Frerichs	Knickerbocker	Olsen, K.	Scheid	Williams
Girard	Kostohryz	Omam	Schreiber	Winter
Greenfield	Krueger	Onnen	Seaberg	Wynia
				Spk. Vanasek

The bill was passed and its title agreed to.

There being no objection, the order of business advanced to Motions and Resolutions.

### MOTIONS AND RESOLUTIONS

Wynia; Vanasek; Long; Anderson, G., and McEachern introduced:

House Resolution No. 7, A house resolution setting the maximum limit on revenues and appropriations for the biennium.

#### SUSPENSION OF RULES

Wynia moved that the rules be so far suspended that House Resolution No. 7 be now considered and be placed upon its adoption. The motion prevailed.

#### HOUSE RESOLUTION NO. 7

A house resolution setting the maximum limit on revenues and appropriations for the biennium.

*Be It Resolved* by the House of Representatives that the sum of \$9,091,884,300 is the maximum limit on state expenditures to provide property tax relief, K-12 education financing, and post-secondary education programs; and \$370,949,000 is the maximum limit on state expenditures for debt service payments to the state building fund; and the sum of \$4,103,922,800 is the maximum limit for all other appropriations and transfers from the general fund for a total maximum limit of \$13,566,756,100 for the fiscal years of 1990 and 1991. This limit is adopted under House Rule 5.10.

*Be It Further Resolved* that the Legislature finds that a budget reserve of the sum of \$550,000,000 is necessary.

*Be It Further Resolved* that the sum of (1) the unreserved general fund balance at the end of fiscal year 1991, and (2) revenues for the purpose of general fund expenditures and transfers for the fiscal years of 1990 and 1991 must not exceed the amount of \$14,116,756,100. This limit is adopted under House Rule 5.10.

*Be It Further Resolved* that the Legislature finds that the sum of \$1,765,206,100 is the maximum limit on budget adjustments for the general fund for the fiscal years of 1990 and 1991 above the fiscal year 1989 same level expenditures and transfers from the general fund and that there should be:

(1) a \$513,484,000 budget adjustment for the purpose of providing additional property tax relief;

(2) a \$277,143,000 budget adjustment for the purpose of providing additional funding for K-12 education;

(3) a \$207,750,000 budget adjustment for the purpose of providing additional funding for post-secondary education;

(4) a \$55,318,000 budget adjustment for increased expenditures related to crime prevention;

(5) a \$124,091,000 budget adjustment for debt service for both existing and new general obligation bonds due or to become due during the biennium ending June 30, 1991;

(6) a \$302,075,100 budget adjustment for agriculture, transportation, and semi-state agencies, natural resource protection, public safety, housing, children initiatives, medical assistance programs, general assistance medical care, residential treatment facilities, income support, state health programs, pollution control, trade and economic development, military affairs, veterans affairs, courts and constitutional offices, and other state government responsibilities.

(7) a \$40,000,000 budget adjustment for environmental initiatives;

(8) a \$119,714,000 budget adjustment for all other expenditures and transfers; and

(9) a \$125,631,000 budget adjustment relating to fund consolidation.

*Be It Further Resolved* that the Legislature finds that it should continue to improve legislative oversight of off-budget expenditures through fund consolidation into the general fund and that the limit on expenditures and transfers from the general fund established under House Rule 5:10 may be automatically adjusted to reflect fund consolidation adopted by the Legislature.

*Be It Further Resolved* that the Legislature finds that it should appropriate, within the limits adopted under House Rule 5:10, up to \$150,000,000 in expenditures that are one-time in nature in order to control base budget growth for the 1992-1993 fiscal biennium.

Wynia moved that House Resolution No. 7 be now adopted.

A roll call was requested and properly seconded.

## CALL OF THE HOUSE

On the motion of Sviggum and on the demand of 10 members, a call of the House was ordered. The following members answered to their names:

Abrams	Gruenes	Lasley	Orenstein	Simoneau
Anderson, G.	Gutknecht	Lieder	Osthoff	Skoglund
Anderson, R.	Hartle	Limmer	Ostrom	Solberg
Battaglia	Hasskamp	Long	Ozment	Sparby
Bauerly	Haukoos	Lynch	Pappas	Stanius
Beard	Heap	Macklin	Pauly	Steensma
Begich	Henry	Marsh	Pellow	Sviggum
Bertram	Himle	McDonald	Pelowski	Swenson
Blatz	Hugoson	McEachern	Poppenhagen	Tjornhom
Brown	Jacobs	McGuire	Price	Tompkins
Burger	Janezich	McPherson	Pugh	Trimble
Carlson, D.	Jaros	Milbert	Quinn	Tunheim
Carlson, L.	Jefferson	Miller	Redalen	Uphus
Carruthers	Jennings	Morrison	Rest	Valento
Clark	Johnson, A.	Munger	Rice	Vellenga
Conway	Johnson, R.	Murphy	Richter	Wagenius
Cooper	Johnson, V.	Nelson, C.	Rodosovich	Waltman
Dawkins	Kahn	Nelson, K.	Rukavina	Weaver
Dempsey	Kalis	Neuenschwander	Runbeck	Welle
Dorn	Kelly	O'Connor	Sarna	Wenzel
Forsythe	Kelso	Ogren	Schafer	Williams
Frederick	Kinkel	Olsen, S.	Scheid	Winter
Frerichs	Knickerbocker	Olsen, K.	Schreiber	Wynia
Girard	Kostohryz	Omann	Seaberg	Spk. Vanasek
Greenfield	Krueger	Onnen	Segal	

Wynia moved that further proceedings of the roll call be dispensed with and that the Sergeant at Arms be instructed to bring in the absentees. The motion prevailed and it was so ordered.

Gruenes; Henry; Olsen, S.; Girard; Frederick; Johnson, V.; Uphus; Hugoson; Onnen; Poppenhagen; Macklin and Limmer moved to amend House Resolution No. 7, as follows:

Page 2, line 22, after the period insert "Of this amount, \$7,500,000 is for the purpose of improving care-related services in nursing homes;"

A roll call was requested and properly seconded.

The question was taken on the Gruenes et al amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 56 yeas and 68 nays as follows:

Those who voted in the affirmative were:

Abrams	Girard	Limmer	Ozment	Swenson
Blatz	Gruenes	Lynch	Pauly	Tjornhom
Boo	Gutknecht	Macklin	Pellow	Tompkins
Burger	Hartle	Marsh	Poppenhagen	Uphus
Carlson, D.	Haukoos	McDonald	Redalen	Valento
Conway	Heap	McPherson	Richter	Waltman
Dauner	Henry	Miller	Runbeck	Weaver
Dempsey	Himle	Morrison	Schafer	Williams
Dille	Hugoson	Olsen, S.	Schreiber	
Forsythe	Johnson, V.	Omann	Seaberg	
Frederick	Kinkel	Onnen	Stanius	
Frerichs	Knickerbocker	Osthoff	Sviggum	

Those who voted in the negative were:

Anderson, G.	Hasskamp	Long	Pappas	Solberg
Anderson, R.	Jacobs	McEachern	Pelowski	Sparby
Battaglia	Janezich	McGuire	Peterson	Steensma
Bauerly	Jaros	Munger	Price	Trimble
Beard	Jefferson	Murphy	Pugh	Tunheim
Begich	Jennings	Nelson, C.	Quinn	Vellenga
Bertram	Johnson, A.	Nelson, K.	Rest	Wagenius
Carlson, L.	Johnson, R.	Neuenschwander	Rice	Welle
Carruthers	Kahn	O'Connor	Rodovich	Wenzel
Clark	Kalis	Ogren	Rukavina	Winter
Cooper	Kelso	Olson, E.	Sarna	Wynia
Dawkins	Kostohryz	Olson, K.	Segal	Spk. Vanasek
Dorn	Krueger	Orenstein	Simoneau	
Greenfield	Lieder	Ostrom	Skoglund	

The motion did not prevail and the amendment was not adopted.

Morrison; Forsythe; Valento; Olsen, S.; Hartle; Seaberg; Schreiber; Pauly; Lynch; Dille; Henry; Macklin; Blatz; Girard; Limmer; Himle; Richter; McDonald; Johnson, V., and Frerichs moved to amend House Resolution No. 7, as follows:

Page 2, line 22, after the period insert "Of this amount, \$14,000,000 is for the purpose of expanding services to battered women;"

A roll call was requested and properly seconded.

The question was taken on the Morrison et al amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 51 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Abrams	Blatz	Burger	Dempsey	Forsythe
Anderson, R.	Boo	Carlson, D.	Dille	Frederick

Frerichs	Hugoson	Miller	Richter	Tompkins
Girard	Johnson, V.	Morrison	Runbeck	Uphus
Gruenes	Knickerbocker	Olsen, S.	Schafer	Valento
Gutknecht	Limmer	Omann	Schreiber	Waltman
Hartle	Lynch	Onnen	Seaber	Weaver
Haukoos	Macklin	Ozment	Stanius	
Heap	Marsh	Pauly	Sviggum	
Henry	McDonald	Pellow	Swenson	
Himle	McPherson	Poppenhagen	Tjornhom	

Those who voted in the negative were:

Anderson, G.	Hasskamp	Long	Pappas	Sparby
Battaglia	Jacobs	McEachern	Pelowski	Steensma
Bauerly	Janezich	McGuire	Peterson	Trimble
Beard	Jaros	Milbert	Price	Tunheim
Begich	Jefferson	Munger	Pugh	Vellenga
Bertram	Jennings	Murphy	Quinn	Wagenrus
Carlson, L.	Johnson, A.	Nelson, C.	Rest	Welle
Carruthers	Johnson, R.	Neuenschwander	Rice	Wenzel
Clark	Kahn	O'Connor	Rodosovich	Williams
Conway	Kalis	Ogren	Rukavina	Winter
Cooper	Kelso	Olson, E.	Sarna	Wynia
Dauner	Kinkel	Olson, K.	Segal	Spk. Vanasek
Dawkins	Kostohryz	Orenstein	Simoneau	
Dorn	Krueger	Osthoff	Skoglund	
Greenfield	Lieder	Ostrom	Solberg	

The motion did not prevail and the amendment was not adopted.

Runbeck, Henry, Gutknecht, Lynch, Macklin, Tjornhom, Poppenhagen and Onnen moved to amend House Resolution No. 7, as follows:

Page 2, line 22, after the period insert "Of this amount, \$16,000,000 is for the purpose of expanding the Head Start Program;"

A roll call was requested and properly seconded.

The question was taken on the Runbeck et al amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 53 yeas and 72 nays as follows:

Those who voted in the affirmative were:

Abrams	Conway	Girard	Henry	Lynch
Bishop	Dempsey	Gruenes	Himle	Macklin
Blatz	Dille	Gutknecht	Hugoson	Marsh
Boo	Forsythe	Hartle	Johnson, V.	McDonald
Burger	Frederick	Haukoos	Knickerbocker	McPherson
Carlson, D.	Frerichs	Heap	Limmer	Miller

Morrison	Pauly	Runbeck	Sviggum	Valento
Olsen, S.	Pellow	Schafer	Swenson	Waltman
Omnn	Poppenhagen	Schreiber	Tjornhom	Weaver
Onnen	Redalen	Seaberg	Tompkins	
Ozment	Richter	Stanuis	Uphus	

Those who voted in the negative were:

Anderson, G.	Greenfield	Lieder	Pappas	Solberg
Anderson, R.	Hasskamp	Long	Pelowski	Steensma
Battaglia	Jacobs	McEachern	Peterson	Trimble
Bauerly	Janezich	McGuire	Price	Tunheim
Beard	Jaros	Munger	Pugh	Vellenga
Begich	Jefferson	Murphy	Quinn	Wagenius
Bertram	Jennings	Nelson, C.	Rest	Welle
Brown	Johnson, A.	Neuenschwander	Rice	Wenzel
Carlson, L.	Johnson, R.	O'Connor	Rodosovich	Williams
Carruthers	Kahn	Ogren	Rukavina	Winter
Clark	Kalis	Olson, E.	Sarna	Wynia
Cooper	Kelso	Olson, K.	Scheid	Spk. Vanasek
Dauner	Kinkel	Orenstein	Segal	
Dawkins	Kostohryz	Osthoff	Simoneau	
Dorn	Krueger	Ostrom	Skoglund	

The motion did not prevail and the amendment was not adopted.

Olsen, S.; Valento; Morrison; Macklin; Lynch; Seaberg; Pauly; Heap; Stanuis; Blatz; Henry; Sviggum; Tjornhom; Burger; Knickerbocker; Pellow; McPherson; Limmer; Forsythe; Frerichs; Abrams; Tompkins; Himle; Schreiber; Weaver; McDonald and Runbeck moved to amend House Resolution No. 7, as follows:

Page 2, line 5, before the semicolon insert “, including the elimination and replacement of disparity reduction aid with a \$65,000,000 reduction in the basic maintenance levy”

A roll call was requested and properly seconded.

The question was taken on the Olsen, S., et al amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 47 yeas and 75 nays as follows:

Those who voted in the affirmative were:

Abrams	Forsythe	Heap	Lynch	Olsen, S.
Anderson, R.	Frederick	Henry	Macklin	Onnen
Blatz	Frerichs	Himle	Marsh	Ozment
Burger	Girard	Hugoson	McDonald	Pauly
Carlson, D.	Gutknecht	Johnson, R.	McPherson	Pellow
Conway	Hartle	Knickerbocker	Miller	Poppenhagen
Dempsey	Haukoos	Limmer	Morrison	Pugh

Runbeck	Stanius	Tjornhom	Valento
Schreiber	Sviggum	Tompkins	Waltman
Seaberg	Swenson	Uphus	Weaver

Those who voted in the negative were:

Anderson, G.	Gruenes	Long	Ostrom	Segal
Battaglia	Hasskamp	McEachern	Pappas	Skoglund
Bauerly	Jacobs	McGuire	Pelowski	Solberg
Beard	Janezich	Munger	Peterson	Sparby
Begich	Jaros	Murphy	Price	Steensma
Bertram	Jefferson	Nelson, C.	Quinn	Trimble
Boo	Jennings	Nelson, K.	Redalen	Tunheim
Brown	Johnson, A.	Neuenschwander	Rest	Vellenga
Carlson, L.	Johnson, V.	O'Connor	Rice	Wagenius
Clark	Kahn	Ogren	Richter	Welle
Cooper	Kalis	Olson, E.	Rodosovich	Wenzel
Dauner	Kelso	Olson, K.	Rukavina	Williams
Dawkins	Kinkel	Omann	Sarna	Winter
Dorn	Krueger	Orenstein	Schafer	Wynia
Greenfield	Lieder	Osthoff	Scheid	Spk. Vanasek

The motion did not prevail and the amendment was not adopted.

Stanius, Weaver, Lynch, Macklin, Swenson, Schafer, Sviggum and Onnen moved to amend House Resolution No. 7, as follows:

Page 2, line 7, before the semicolon insert "including \$92,000,000 for equity funding to bring every school district up to the statewide average general education funding per pupil unit"

A roll call was requested and properly seconded.

The question was taken on the Stanius et al amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 39 yeas and 83 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Gruenes	Macklin	Ozment	Stanius
Boo	Hartle	Marsh	Pellow	Sviggum
Carlson, D.	Haukoos	McDonald	Quinn	Swenson
Conway	Hugoson	McPherson	Redalen	Tompkins
Dempsey	Jacobs	Miller	Rumbeck	Uphus
Frederick	Johnson, V.	Morrison	Schafer	Waltman
Frerichs	Limmer	Omann	Schreiber	Weaver
Girard	Lynch	Onnen	Seaberg	

Those who voted in the negative were:

Abrams	Greenfield	Kostohryz	Orenstein	Skoglund
Anderson, G.	Gutknecht	Krueger	Osthoff	Solberg
Battaglia	Hasskamp	Lieder	Ostrom	Sparby
Bauerly	Heap	Long	Pappas	Steensma
Beard	Henry	McEachern	Pauly	Tjornhom
Begich	Himle	McGuire	Pelowski	Trimble
Bertram	Janezich	Milbert	Peterson	Tunheim
Blatz	Jaros	Munger	Poppenhagen	Vellenga
Brown	Jefferson	Murphy	Price	Wagenius
Burger	Jennings	Nelson, C.	Pugh	Welle
Carlson, L.	Johnson, A.	Nelson, K.	Rest	Wenzel
Clark	Johnson, R.	Neuenschwander	Rodosovich	Williams
Cooper	Kahn	O'Connor	Rukavina	Winter
Dauner	Kalis	Ogren	Sarna	Wynia
Dawkins	Kelso	Olsen, S.	Scheid	Spk. Vanasek
Dorn	Kinkel	Olson, E.	Segal	
Forsythe	Knickerbocker	Olson, K.	Simoneau	

The motion did not prevail and the amendment was not adopted.

Himle; Blatz; Stanius; Macklin; Morrison; Lynch; Olsen, S.; Waltman; Tjornhom; Swenson; Weaver; Girard; Runbeck; Hugoson; Henry; Forsythe; Tompkins; Pellow and Richter moved to amend House Resolution No. 7, as follows:

Page 2, line 5, before the semicolon insert “, \$80,000,000 of this amount is to fund the repeal of transition aid and full reenactment of the homestead credit and agricultural credit”

A roll call was requested and properly seconded.

The question was taken on the Himle et al amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 58 yeas and 66 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Johnson, V.	Omann	Seaberg
Anderson, R.	Frerichs	Knickerbocker	Onnen	Stanius
Bennett	Girard	Limmer	Osthoff	Sviggum
Bishop	Gruenes	Lynch	Ozment	Swenson
Blatz	Gutknecht	Macklin	Pauly	Tjornhom
Boo	Hartle	Marsh	Pellow	Tompkins
Burger	Hasskamp	McDonald	Poppenhagen	Uphus
Carlson, D.	Haukoos	McPherson	Redalen	Valento
Conway	Heap	Milbert	Richter	Waltman
Dempsey	Henry	Miller	Runbeck	Weaver
Dille	Himle	Morrison	Schafer	
Forsythe	Hugoson	Olsen, S.	Schreiber	

Those who voted in the negative were:

Anderson, G.	Greenfield	Lieder	Pappas	Simoneau
Battaglia	Janezich	Long	Pelowski	Skoglund
Bauerly	Jaros	McGuire	Peterson	Solberg
Begich	Jefferson	Murphy	Price	Sparby
Bertram	Jennings	Nelson, C.	Pugh	Steensma
Brown	Johnson, A.	Nelson, K.	Quinn	Trimble
Carlson, L.	Johnson, R.	Neuenschwander	Rest	Tunheim
Carruthers	Kahn	O'Connor	Rice	Vellenga
Clark	Kelly	Ogren	Rodosovich	Wagenius
Cooper	Kelso	Olson, E.	Rukavina	Welle
Dauner	Kinkel	Olson, K.	Sarna	Wenzel
Dawkins	Kostohryz	Orenstein	Scheid	Williams
Dorn	Krueger	Ostrom	Segal	Winter
				Spk. Vanasek

The motion did not prevail and the amendment was not adopted.

Frerichs; Macklin; Henry; Pellow; Lynch; Olsen, S.; Tjornhom; Gutknecht; Tompkins; Abrams and Runbeck moved to amend House Resolution No. 7, as follows:

Page 2, line 5, before the semicolon insert “, including the elimination and replacement of disparity reduction aid with \$65,000,000 of additional commercial and industrial property tax relief”

A roll call was requested and properly seconded.

The question was taken on the Frerichs et al amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 47 yeas and 81 nays as follows:

Those who voted in the affirmative were:

Abrams	Gruenes	Lynch	Ozment	Sviggum
Anderson, R.	Gutknecht	Macklin	Pauly	Swenson
Bennett	Hartle	Marsh	Pellow	Tjornhom
Bishop	Haukoos	McDonald	Poppenhagen	Tompkins
Blatz	Heap	McPherson	Runbeck	Uphus
Burger	Henry	Milbert	Schafer	Valento
Carlson, D.	Himle	Miller	Scheid	Waltman
Forsythe	Hugoson	Morrison	Schreiber	
Frerichs	Knickerbocker	Olsen, S.	Seaberg	
Girard	Limmer	Onnen	Stanisus	

Those who voted in the negative were:

Battaglia	Beard	Bertram	Brown	Carruthers
Bauerly	Begich	Boo	Carlson, L.	Clark

Conway	Johnson, A.	McGuire	Pappas	Skoglund
Cooper	Johnson, R.	Munger	Pełowski	Solberg
Dauner	Johnson, V.	Murphy	Peterson	Sparby
Dawkins	Kahn	Nelson, C.	Price	Steensma
Dempsey	Kalis	Nelson, K.	Pugh	Trimble
Dille	Kelly	Neuenschwander	Quinn	Tunheim
Dorn	Kelso	O'Connor	Redalen	Vellenga
Frederick	Kinkel	Ogren	Rest	Wagenius
Greenfield	Kostohryz	Olson, E.	Rice	Weaver
Hasskamp	Krueger	Olson, K.	Rodosovich	Welle
Jacobs	Lasley	Omam	Rukavina	Wenzel
Jaros	Lieder	Orenstein	Sarna	Williams
Jefferson	Long	Osthoff	Segal	Winter
Jennings	McEachern	Ostrom	Simoneau	Wynia
				Spk. Vanasek

The motion did not prevail and the amendment was not adopted.

McDonald; Sviggum; Valento; Olsen, S.; Stanius; McPherson; Schreiber; Schafer; Henry; Richter; Himle and Poppenhagen moved to amend House Resolution No. 7, as follows:

Page 1, line 16, delete "\$550,000,000" and insert "\$431,000,000"

Page 1, line 21, delete "\$14,116,756,100" and insert "13,997,756,100"

Page 1, after line 22, insert:

*"Be It Further Resolved* that the Legislature finds that it is unnecessary to increase taxes."

A roll call was requested and properly seconded.

The question was taken on the McDonald et al amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 53 yeas and 75 nays as follows:

Those who voted in the affirmative were:

Abrams	Gruenes	Lynch	Osthoff	Stanius
Bennett	Gutknecht	Macklin	Ozment	Sviggum
Bishop	Hartle	Marsh	Pauly	Swenson
Blatz	Haukoos	McDonald	Pellow	Tjornhom
Boo	Heap	McPherson	Poppenhagen	Tompkins
Burger	Henry	Milbert	Redalen	Uphus
Dempsey	Himle	Miller	Richter	Valento
Forsythe	Hugoson	Morrison	Runbeck	Waltman
Frederick	Johnson, V.	Olsen, S.	Schafer	Weaver
Frerichs	Knickerbocker	Omam	Schreiber	
Girard	Limmer	Onnen	Seaberg	

Those who voted in the negative were:

Anderson, G.	Greenfield	Krueger	Orenstein	Simoneau
Anderson, R.	Hasskamp	Lasley	Ostrom	Skoglund
Battaglia	Jacobs	Lieder	Pappas	Solberg
Bauerly	Janezich	Long	Pelowski	Sparby
Beard	Jaros	McEachern	Peterson	Steensma
Begich	Jefferson	McGuire	Price	Trimble
Bertram	Jennings	Munger	Pugh	Tunheim
Carlson, L.	Johnson, A.	Murphy	Quinn	Vellenga
Carruthers	Johnson, R.	Nelson, C.	Rest	Wagenius
Clark	Kahn	Nelson, K.	Rice	Welle
Cooper	Kalis	Neuenschwander	Rodosovich	Wenzel
Dauner	Kelly	O'Connor	Rukavina	Williams
Dawkins	Kelso	Ogren	Sarna	Winter
Dille	Kinkel	Olson, E.	Scheid	Wynia
Dorn	Kostohryz	Olson, K.	Segal	Spk. Vanasek

The motion did not prevail and the amendment was not adopted.

Tompkins; Henry; Frederick; Macklin; Tjornhom; Olsen, S.; Girard; Blatz; McPherson; Runbeck and Schafer moved to amend House Resolution No. 7, as follows:

Page 2, line 7, before the semicolon insert "including \$20,000,000 for special education regular funding"

A roll call was requested and properly seconded.

The question was taken on the Tompkins et al amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 54 yeas and 77 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Johnson, V.	Olsen, S.	Seaberg
Anderson, R.	Girard	Knickerbocker	Omamm	Stanjus
Bennett	Gruenes	Limmer	Onen	Swiggum
Bishop	Gutknecht	Lynch	Ozment	Swenson
Blatz	Hartle	Macklin	Pauly	Tjornhom
Boo	Haukoos	Marsh	Pellow	Tompkins
Burger	Heap	McDonald	Poppenhagen	Uphus
Carlson, D.	Henry	McPherson	Richter	Valento
Dempsey	Himle	Milbert	Runbeck	Waltman
Forsythe	Hugoson	Miller	Schafer	Weaver
Frederick	Jacobs	Morrison	Schreiber	

Those who voted in the negative were:

Anderson, G.	Bauerly	Begich	Brown	Carruthers
Battaglia	Beard	Bertram	Carlson, L.	Clark

Conway	Kahn	Nelson, C.	Price	Steensma
Cooper	Kalis	Nelson, K.	Pugh	Trimble
Dauner	Kelly	Neuenschwander	Quinn	Tunheim
Dawkins	Kelso	O'Connor	Rest	Vellenga
Dille	Kinkel	Ogren	Rice	Wagenius
Dorn	Kostohryz	Olson, E.	Rodosovich	Welle
Greenfield	Krueger	Olson, K.	Rukavina	Wenzel
Hasskamp	Lasley	Orenstein	Sarna	Williams
Janezich	Lieder	Osthoff	Scheid	Winter
Jaros	Long	Ostrom	Segal	Wynia
Jefferson	McEachern	Otis	Simoneau	Spk. Vanasek
Jennings	McGuire	Pappas	Skoglund	
Johnson, A.	Munger	Pelowski	Solberg	
Johnson, R.	Murphy	Peterson	Sparby	

The motion did not prevail and the amendment was not adopted.

Stanius, Burger, Swenson, McPherson, Sviggum and McDonald moved to amend House Resolution No. 7, as follows:

Page 1, line 16, delete "\$550,000,000" and insert "\$410,000,000"

Page 2, line 6, delete "\$277,143,000" and insert "\$417,143,000"

Page 2, line 7, before the semicolon insert "including \$199,000,000 for increasing the general education formula allowance for fiscal year 1990 to \$2,875 per pupil unit and for fiscal year 1991 to \$3,000 per pupil unit"

A roll call was requested and properly seconded.

The question was taken on the Stanius et al amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 51 yeas and 75 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Knickerbocker	Onnen	Schafer
Anderson, R.	Frerichs	Limmer	Osthoff	Schreiber
Bennett	Girard	Lynch	Ozment	Seaberg
Blatz	Gruenes	Macklin	Pauly	Stanius
Boo	Haukoos	Marsh	Pellow	Sviggum
Burger	Heap	McDonald	Poppenhagen	Swenson
Carlson, D.	Henry	McPherson	Pugh	Tjornhom
Dempsey	Himle	Milbert	Redalen	Tompkins
Dille	Hugoson	Olsen, S.	Richter	Uphus
Forsythe	Johnson, V.	Omamm	Runbeck	Valento
				Waltman

Those who voted in the negative were:

Anderson, G.	Greenfield	Lasley	Ostrom	Skoglund
Battaglia	Jacobs	Lieder	Otis	Solberg
Bauerly	Janezich	Long	Pappas	Sparby
Beard	Jaros	McEachern	Pelowski	Steensma
Begich	Jefferson	Miller	Peterson	Trimble
Bertram	Jennings	Munger	Price	Tunheim
Brown	Johnson, A.	Murphy	Quinn	Vellenga
Carlson, L.	Johnson, R.	Nelson, C.	Rest	Wagenius
Carruthers	Kahn	Nelson, K.	Rice	Weaver
Clark	Kalis	Neuenschwander	Rodosovich	Welle
Conway	Kelly	O'Connor	Rukavina	Wenzel
Cooper	Kelso	Ogren	Sarna	Williams
Dauner	Kinkel	Olson, E.	Scheid	Winter
Dawkins	Kostohryz	Olson, K.	Segal	Wynia
Orn	Krueger	Orenstein	Simoneau	Spk. Vanasek

The motion did not prevail and the amendment was not adopted.

Sviggum, Girard, Frederick, McPherson, Henry and Johnson, V., moved to amend House Resolution No. 7, as follows:

Page 2, line 22, after the period insert "All state mandates enacted during the 1989 and 1990 legislative sessions for the purposes specified in this paragraph for fiscal years 1990 and 1991 will be fully funded so they will not result in property tax increases;"

The motion did not prevail and the amendment was not adopted.

Valento; Olsen, S.; Blatz; Burger; Henry; Pellow; Tjornhom and Pauly moved to amend House Resolution No. 7, as follows:

Page 2, line 5, before the semicolon insert "including the elimination and replacement of disparity reduction aid with at least \$65,000,000 of property tax relief to residential rental property"

A roll call was requested and properly seconded.

The question was taken on the Valento et al amendment and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 44 yeas and 80 nays as follows:

Those who voted in the affirmative were:

Abrams	Carlson, D.	Haukoos	Limmer	Milbert
Anderson, R.	Dempsey	Heap	Lynch	Olsen, S.
Beard	Forsythe	Henry	Macklin	Omänn
Bennett	Frerichs	Himle	Marsh	Onnen
Blatz	Girard	Hugoson	McDonald	Ozment
Burger	Gruenes	Knickerbocker	McPherson	Pauly

Pellow	Runbeck	Stanius	Tjornhom	Waltman
Poppenhagen	Schreiber	Swiggum	Tompkins	Weaver
Pugh	Seaberg	Swenson	Valento	

## Those who voted in the negative were:

Anderson, G.	Greenfield	Krueger	Ostrom	Segal
Battaglia	Hasskamp	Lasley	Otis	Simoneau
Bauerly	Jacobs	Lieder	Pappas	Skoglund
Begich	Janezich	Long	Pelowski	Solberg
Bertram	Jaros	McEachern	Peterson	Steensma
Boo	Jefferson	McGuire	Price	Trimble
Brown	Jennings	Munger	Quinn	Tunheim
Carlson, L.	Johnson, A.	Murphy	Redalen	Uphus
Carruthers	Johnson, R.	Nelson, C.	Rest	Vellenga
Clark	Johnson, V.	Neuenschwander	Rice	Wagenius
Conway	Kahn	O'Connor	Richter	Welle
Cooper	Kalis	Ogren	Rodosovich	Wenzel
Dauner	Kelly	Olson, E.	Rukavina	Williams
Dawkins	Kelso	Olson, K.	Sarna	Winter
Dorn	Kinkel	Orenstein	Schafer	Wynia
Frederick	Kostohryz	Osthoff	Scheid	Spk. Vanasek

The motion did not prevail and the amendment was not adopted.

The question recurred on the Wynia motion that House Resolution No. 7 be now adopted and the roll was called.

Wynia moved that those not voting be excused from voting. The motion prevailed.

There were 72 yeas and 59 nays as follows:

## Those who voted in the affirmative were:

Anderson, G.	Greenfield	Lieder	Pappas	Sparby
Anderson, R.	Hasskamp	Long	Pelowski	Steensma
Battaglia	Jacobs	McEachern	Peterson	Trimble
Bauerly	Janezich	McGuire	Price	Tunheim
Beard	Jefferson	Munger	Quinn	Vellenga
Begich	Johnson, A.	Murphy	Redalen	Wagenius
Brown	Johnson, R.	Nelson, C.	Rest	Welle
Carlson, L.	Kahn	Nelson, K.	Rice	Wenzel
Carruthers	Kalis	O'Connor	Rodosovich	Williams
Clark	Kelly	Ogren	Rukavina	Winter
Conway	Kelso	Olson, E.	Sarna	Wynia
Cooper	Kinkel	Olson, K.	Segal	Spk. Vanasek
Dauner	Kostohryz	Orenstein	Simoneau	
Dawkins	Krueger	Ostrom	Skoglund	
Dorn	Lasley	Otis	Solberg	

## Those who voted in the negative were:

Abrams	Burger	Frerichs	Heap	Knickerbocker
Bennett	Carlson, D.	Girard	Henry	Limmer
Bertram	Dempsey	Gruenes	Himle	Lynch
Bishop	Dille	Gutknecht	Hugoson	Macklin
Blatz	Forsythe	Hartle	Jennings	Marsh
Boo	Frederick	Haukoos	Johnson, V.	McDonald

McPherson	Omamm	Poppenhagen	Schreiber	Tompkins
Milbert	Ommen	Pugh	Seaberg	Uphus
Miller	Osthoff	Richter	Stanius	Valento
Morrison	Ozment	Runbeck	Sviggum	Waltman
Neuenschwander	Pauly	Schafer	Swenson	Weaver
Olsen, S.	Pellow	Scheid	Tjornhom	

The motion prevailed and House Resolution No. 7 was adopted.

Weaver was excused between the hours of 5:15 p.m. and 6:05 p.m.

There being no objection, the order of business reverted to General Orders.

### GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Vanasek in the Chair for consideration of bills pending on General Orders of the day. Quinn presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 245 and 529 were recommended to pass.

H. F. No. 185 was recommended for progress until Tuesday, April 18, 1989.

H. F. No. 493, the first engrossment, which it recommended to pass with the following amendments:

Offered by Hugoson:

Page 1, line 21, delete "pupil's resident" and after "district" insert "the pupil is currently attending"

Offered by Kahn:

Page 3, after line 18, insert "This subdivision does not apply to those pupils who have been denied equal opportunity to participate in athletic activities as described under section 126.21."

Offered by Kahn:

Page 3, after line 18, insert "A pupil transferring under this section may immediately participate, without any period of ineligibility, in any extracurricular varsity athletic activity offered by the pupil's nonresident district that is not offered by the pupil's resident district, or by the nonresident district from which the pupil is transferring."

Offered by Carruthers and Johnson, A.:

Page 3, after line 18, insert "This subdivision does not apply to pupils who have been enrolled in the nonresident district during the 1988-1989 school year under an alternative enrollment options agreement."

Offered by Vellenga:

Page 2, after line 27, insert:

"Sec. 3. Minnesota Statutes 1988, section 120.062, subdivision 9, is amended to read:

Subd. 9. [TRANSPORTATION.] If requested by the parent of a pupil, the nonresident district shall provide transportation within the district. The state shall pay transportation aid to the district according to section 124.225.

The resident district is not required to provide or pay for transportation between the pupil's residence and the border of the nonresident district. A parent may be reimbursed by the nonresident district for the costs of transportation from the pupil's residence to the border of the nonresident district if the pupil is from a family whose income is at or below the poverty level, as determined by the federal government.

Upon request of the nonresident pupil, a district that enrolls a nonresident pupil under this section must transport that pupil without charge between a school within the nonresident district and a point chosen by the pupil on a route travelled by a bus from the nonresident district."

Re-number subsequent sections

Amend the title accordingly

On the motion of Wynia the report of the Committee of the Whole was adopted.

## ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

Kahn moved to amend H. F. No. 493, the first engrossment, as amended, as follows:

Page 3, after line 18, insert "A pupil transferring under this section may immediately participate, without any period of ineligibility, in any extracurricular varsity athletic activity offered by the pupil's nonresident district that is not offered by the pupil's resident district, or by the nonresident district from which the pupil is transferring."

The question was taken on the Kahn amendment and the roll was called. There were 61 yeas and 55 nays as follows:

Those who voted in the affirmative were:

Abrams	Girard	Kelso	Olsen, S.	Seaberg
Bennett	Greenfield	Krueger	Onnen	Skoglund
Bishop	Gruenes	Long	Osthoff	Sparby
Blatz	Gutknecht	Lynch	Ostrom	Sviggum
Carlson, L.	Haukoos	Marsh	Pappas	Swenson
Carruthers	Henry	McGuire	Pauly	Tompkins
Clark	Himle	McPherson	Pugh	Valento
Dawkins	Jacobs	Milbert	Redalen	Vellenga
Dempsey	Janezich	Miller	Rest	Wagenius
Dille	Jefferson	Murphy	Rodosovich	Waltman
Dorn	Johnson, A.	Nelson, K.	Runbeck	Williams
Frerichs	Kahn	Ogren	Scheid	Wynia
				Spk. Vanasek

Those who voted in the negative were:

Anderson, G.	Cooper	Knickerbocker	Neuenschwander	Richter
Battaglia	Dauner	Kostohryz	O'Connor	Rukayina
Bauerly	Forsythe	Lasley	Olson, E.	Sarna
Beard	Frederick	Lieder	Olson, K.	Schafer
Begich	Hartle	Limmer	Omann	Schreiber
Bertram	Hasskamp	Macklin	Pelowski	Simoneau
Boo	Hugoson	McDonald	Peterson	Stanius
Brown	Jaros	McEachern	Poppenhagen	Trimble
Burger	Kahis	Morrison	Price	Tunheim
Carlson, D.	Kelly	Munger	Quinn	Welle
Conway	Kinkel	Nelson, C.	Rice	Wenzel

The motion prevailed and the amendment was adopted.

Nelson, K., moved to amend H. F. No. 493, the first engrossment, as amended, as follows:

Page 2, lines 33 and 34, delete "one school year" and insert "90 days"

Page 2, line 34, delete the second "year" and insert "90 days"

Page 3, line 3, delete "year" and insert "90 days"

Page 3, line 14, delete "year" and insert "90 days"

The question was taken on the Nelson, K., amendment and the roll was called. There were 17 yeas and 108 nays as follows:

Those who voted in the affirmative were:

Anderson, R.	Dille	Kahn	Nelson, K.	Wynia
Blatz	Girard	Kelso	Osthoff	
Boo	Henry	Long	Ostrom	
Carruthers	Himle	Marsh	Schreiber	

Those who voted in the negative were:

Abrams	Gruenes	Limmer	Otis	Seegal
Battaglia	Hartle	Lynch	Ozment	Simoneau
Bauerly	Hasskamp	Macklin	Pappas	Skoglund
Beard	Haukoos	McDonald	Pauly	Solberg
Begich	Heap	McEachern	Pellow	Stanius
Bennett	Hugoson	McGuire	Pelowski	Steensma
Bertram	Jacobs	McPherson	Peterson	Sviggun
Bishop	Janezich	Milbert	Poppenhagen	Swenson
Brown	Jaros	Miller	Price	Tjornhom
Burger	Jefferson	Morrison	Pugh	Tompkins
Carlson, D.	Jennings	Munger	Quinn	Trimble
Carlson, L.	Johnson, A.	Murphy	Redalen	Tunheim
Conway	Johnson, R.	Nelson, C.	Rest	Uphus
Cooper	Johnson, V.	Neuenschwander	Rice	Valento
Dauner	Kalis	O'Connor	Richter	Vellenga
Dawkins	Kelly	Ogren	Rodosovich	Waltman
Dempsey	Kinkel	Olsen, S.	Rukavina	Welle
Dorn	Krickbocker	Olson, E.	Runbeck	Wenzel
Forsythe	Kestohryz	Olson, K.	Sarna	Winter
Frederick	Krueger	Omann	Schafer	Spk. Vanasek
Frerichs	Lasley	Onnen	Scheid	
Greenfield	Lieder	Orenstein	Seaberg	

The motion did not prevail and the amendment was not adopted.

## MOTIONS AND RESOLUTIONS

Lieder moved that his name be stricken and the name of Anderson, G., be added as chief author on H. F. No. 46. The motion prevailed.

Lieder moved that the name of Kalis be shown as chief author and the names of Carlson, D., and Morrison be added as authors on H. F. No. 47. The motion prevailed.

Carlson, D., moved that the names of Olson, E.; Begich; Brown

and Bennett be added as authors on H. F. No. 129. The motion prevailed.

Dawkins moved that the name of Krueger be stricken and the name of Olsen, S., be added as an author on H. F. No. 140. The motion prevailed.

Kelso moved that her name be stricken as an author on H. F. No. 493. The motion prevailed.

Simoneau moved that the name of Tjornhom be added as an author on H. F. No. 520. The motion prevailed.

Brown moved that the name of Lynch be stricken and the name of Anderson, G., be added as an author on H. F. No. 892. The motion prevailed.

Skoglund moved that the name of Otis be added as an author on H. F. No. 1155. The motion prevailed.

Krueger moved that the name of Bishop be added as an author on H. F. No. 1242. The motion prevailed.

Brown moved that his name be stricken as an author on H. F. No. 1384. The motion prevailed.

Ogren moved that the name of Solberg be added as an author on H. F. No. 1475. The motion prevailed.

Omann moved that the names of Cooper, Beard and McEachern be added as authors on H. F. No. 1479. The motion prevailed.

Omann moved that the names of McEachern, Cooper and Beard be added as authors on H. F. No. 1480. The motion prevailed.

Conway moved that the names of Greenfield, Kahn and Morrison be added as authors on H. F. No. 1484. The motion prevailed.

Carruthers moved that the name of Swenson be added as an author on H. F. No. 1514. The motion prevailed.

Carruthers moved that H. F. No. 1194, now on Technical General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

O'Connor moved that H. F. No. 1308, now on Technical General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

Battaglia moved that S. F. No. 108, now on the Technical Consent Calendar, be re-referred to the Committee on Appropriations. The motion prevailed.

Jennings moved that H. F. No. 1041, now on Technical General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

Munger moved that H. F. No. 521 be recalled from the Committee on Appropriations and be re-referred to the Committee on Environment and Natural Resources. The motion prevailed.

Valento moved that H. F. No. 688 be recalled from the Committee on Local Government and Metropolitan Affairs and be re-referred to the Committee on Taxes. The motion prevailed.

Skoglund moved that H. F. No. 954 be recalled from the Committee on Insurance and be re-referred to the Committee on Labor-Management Relations. The motion prevailed.

Kelly moved that H. F. No. 1135 be recalled from the Committee on Judiciary and be re-referred to the Committee on General Legislation, Veterans Affairs and Gaming. The motion prevailed.

Osthoff moved that H. F. No. 1577 be recalled from the Committee on Governmental Operations and be re-referred to the Committee on Financial Institutions and Housing. The motion prevailed.

Begich moved that S. F. No. 112 be recalled from the Committee on Labor-Management Relations and together with H. F. No. 1009, now on the Technical Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

Blatz moved that H. F. No. 1470 be recalled from the Committee on Local Government and Metropolitan Affairs and be re-referred to the Committee on General Legislation, Veterans Affairs and Gaming. The motion prevailed.

Winter moved that H. F. No. 1496 be recalled from the Committee on Transportation and be re-referred to the Committee on Labor-Management Relations. The motion prevailed.

Otis moved that H. F. No. 1188 be returned to its author. The motion prevailed.

## ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 2:30 p.m., Monday, April 10, 1989. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Monday, April 10, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION—1989

## TWENTY-NINTH DAY

SAINT PAUL, MINNESOTA, MONDAY, APRIL 10, 1989

The House of Representatives convened at 2:30 p.m. and was called to order by Robert E. Vanasek, Speaker of the House.

Prayer was offered by Pastor Gene Hemeier, Sr., Redeemer Lutheran Church, Fridley, Minnesota.

The members of the House gave the pledge of allegiance to the flag of the United States of America.

The roll was called and the following members were present:

Abrams	Frerichs	Krueger	Osthoff	Simoneau
Anderson, G.	Girard	Lasley	Ostrom	Skoglund
Anderson, R.	Greenfield	Lieder	Otis	Solberg
Battaglia	Gruenes	Limmer	Ozment	Sparby
Bauerly	Gutknecht	Long	Pappas	Stanius
Beard	Hartle	Lynch	Pauly	Steensma
Begich	Hasskamp	Macklin	Pellow	Sviggum
Bennett	Haukoos	Marsh	Pelowski	Swenson
Bertram	Heap	McDonald	Peterson	Tjornhom
Bishop	Henry	McEachern	Poppenhagen	Tompkins
Blatz	Himle	McGuire	Price	Trimble
Boo	Hugoson	McLaughlin	Pugh	Tunheim
Brown	Jacobs	McPherson	Quinn	Uphus
Burger	Janezich	Milbert	Redalen	Valento
Carlson, D.	Jaros	Miller	Reding	Vellenga
Carlson, L.	Jefferson	Morrison	Rest	Wagenius
Carruthers	Jennings	Munger	Rice	Waltman
Clark	Johnson, A.	Murphy	Richter	Weaver
Conway	Johnson, R.	Nelson, C.	Rodosovich	Welle
Cooper	Johnson, V.	Nelson, K.	Rukavina	Wenzel
Dauner	Kahn	Neuenschwander	Runbeck	Williams
Dawkins	Kalis	Ogren	Sarna	Winter
Dempsey	Kelly	Olson, E.	Schafer	Wynia
Dille	Kelso	Olson, K.	Scheid	Spk. Vanasek
Dorn	Kinkel	Omann	Schreiber	
Forsythe	Knickerbocker	Onnen	Seaberg	
Frederick	Kostohryz	Orenstein	Segal	

A quorum was present.

O'Connor and Olsen, S., were excused.

The Chief Clerk proceeded to read the Journal of the preceding

day. Murphy 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

Pursuant to Rules of the House, printed copies of H. F. Nos. 212, 296, 501, 505, 719, 740, 832, 955, 1009, 1029, 1041, 1216, 1267, 1330, 1352, 1421, 1456, 159, 169, 438, 528, 611, 999, 1061, 1077, 1104, 1283, 1311, 1435, 1472, 1471 and 493 and S. F. Nos. 699 and 358 have been placed in the members' files.

S. F. No. 358 and H. F. No. 528, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Jacobs moved that the rules be so far suspended that S. F. No. 358 be substituted for H. F. No. 528 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 699 and H. F. No. 999, which had been referred to the Chief Clerk for comparison, were examined and found to be identical with certain exceptions.

#### SUSPENSION OF RULES

Battaglia moved that the rules be so far suspended that S. F. No. 699 be substituted for H. F. No. 999 and that the House File be indefinitely postponed. The motion prevailed.

S. F. No. 112 and H. F. No. 1009, which had been referred to the Chief Clerk for comparison, were examined and found to be identical.

Dorn moved that S. F. No. 112 be substituted for H. F. No. 1009 and that the House File be indefinitely postponed. The motion prevailed.

**REPORTS OF STANDING COMMITTEES**

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 13, A bill for an act relating to courts; raising the jurisdictional limit on claims heard in conciliation court; permitting bail in civil contempt cases to be used to satisfy the judgment; establishing a conciliation court study commission; requiring a report; amending Minnesota Statutes 1988, sections 487.30, subdivisions 1 and 5; 488A.12, subdivision 3; 488A.14, subdivision 6; 488A.16, subdivision 8; 488A.29, subdivision 3; 488A.31, subdivision 6; and 488A.33, subdivision 7.

Reported the same back with the following amendments:

Page 9, delete lines 11 and 12 and insert:

"Sections 2, 5, and 8 are effective the day after final enactment. Section 9 is effective June 1, 1989. Sections 1, 3, 4, 6, and 7 are effective July 1, 1989."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 47, A bill for an act relating to transportation; providing for the apportionment of revenues from the motor vehicle excise tax; amending Minnesota Statutes 1988, section 297B.09, subdivision 1.

Reported the same back with the following amendments:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1988, section 168.013, subdivision 1a, is amended to read:

Subd. 1a. [PASSENGER AUTOMOBILES; AMBULANCES; HEARSEES.] (a) On passenger automobiles as defined in section 168.011, subdivision 7, ambulances, and hearses, except as otherwise provided, the tax shall be \$10 plus an additional tax equal to 1.25 percent of the base value, ~~except that on pickup trucks the tax shall be:~~

(a) for the 1982 registration year, \$10 plus an additional tax equal to .75 percent of base value;

(b) for the 1983 registration year and each succeeding year, \$10 plus an additional tax equal to 1.25 percent of base value.

(b) Subject to the classification provisions herein, "base value" means the manufacturer's suggested retail price of the vehicle including destination charge as reflected on the price listing affixed to the vehicle in conformity with United States Code, title 15, sections 1231 to 1233 (Public Law Number 85-506) or otherwise suggested by the manufacturer or determined by the registrar if no suggested retail price exists, and shall not include the cost of each accessory or item of optional equipment separately added to the vehicle and the suggested retail price.

(c) If unable to determine the base value because the vehicle is specially constructed, or for any other reason, the registrar may establish such value upon the cost price to the purchaser or owner as evidenced by a certificate of cost but not including Minnesota sales or use tax or any local sales or other local tax.

(d) The registrar shall classify every vehicle in its proper base value class as follows:

FROM	TO
\$ 0	\$199.99
200	399.99

and thereafter a series of classes successively set in brackets having a spread of \$200 consisting of such number of classes as will permit classification of all vehicles.

(e) The base value for purposes of this section shall be the middle point between the extremes of its class.

(f) The registrar shall establish the base value, when new, of every passenger automobile, ambulance and hearse registered prior to the effective date of Extra Session Laws 1971, chapter 31, using list price information published by the manufacturer or any nationally recognized firm or association compiling such data for the automotive industry. If unable to ascertain the base value of any registered vehicle in the foregoing manner, the registrar may use any other available source or method. The tax on all previously registered vehicles shall be computed upon the base value thus determined taking into account the depreciation provisions of Extra Session Laws 1971, chapter 31.

(g) Except as provided in paragraph (h), the annual additional tax

computed upon the base value as provided herein, during the first year and second years of vehicle life shall be computed upon 100 percent of the base value; for the second year third and fourth years, 90 percent of such value; for the third year fifth and sixth years, 75 percent of such value; for the fourth year seventh and eighth years, 60 percent of such value; for the fifth ninth year, 45 percent of such value; for the sixth year, 35 percent of such value; for the seventh tenth year, 30 percent of such value; for the eighth 11th year, 20 percent of such value; for the ninth year, 15 percent of such value; for the tenth year, ten percent of such value; for the 11th 12th and each succeeding year, the sum of \$13; provided that for registrations renewed on or after January 1, 1982, the annual additional tax for the 11th and each succeeding year of vehicle life shall be \$13, for registrations renewed on or after January 1, 1983, the annual additional tax shall be \$18, for registrations renewed on or after January 1, 1984, the annual additional tax shall be \$22, and for registrations renewed on or after January 1, 1985, the annual additional tax shall be \$25.

In no event shall the annual additional tax be less than \$13 for any registration renewed after January 1, 1982, nor less than \$18 for any registration renewed after January 1, 1983, \$22 for any registration renewed after January 1, 1984, and \$25 for any registration renewed after January 1, 1985.

(h) The annual additional tax under paragraph (g) on a motor vehicle on which the first annual tax was paid before the effective date of this section must not exceed the tax that was paid on that vehicle the year before."

Page 3, line 17, delete "Section 1 is" and insert "Sections 1 and 2 are"

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon insert "changing depreciation factor in determining automobile registration taxes;"

Page 1, line 4, delete "section" and insert "sections 168.013, subdivision 1a; and"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 134, A bill for an act relating to Beltrami county; authorizing the Beltrami county board to regulate dogs and cats within the county by ordinance.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 299, A bill for an act relating to occupations and professions; requiring the licensing of interior designers; defining the practice of interior design; providing for administration of licensing requirements; amending Minnesota Statutes 1988, sections 214.01, subdivision 3; 214.04, subdivision 3; 326.02, subdivision 1, and by adding a subdivision; 326.03, subdivision 1; 326.031; 326.04; 326.05; 326.06; 326.07; 326.08, subdivision 2; 326.09; 326.10, subdivisions 1, 2, and 2a; 326.11, subdivision 1; 326.12; 326.13; and 326.14.

Reported the same back with the following amendments:

Page 1, line 19, strike everything after "of"

Page 1, line 20, delete the comma and strike "landscape architecture" and delete ", and interior design" and insert "design professions"

Page 2, line 18, strike "architecture, engineering, land surveying" and delete the comma

Page 2, line 19, strike "landscape architecture" and delete the new language and insert "design professions"

Page 4, delete lines 4 to 31, and insert:

"Subd. 4b. [PRACTICE OF INTERIOR DESIGN.] (a) A person shall be considered to be practicing as a licensed interior designer, within the meaning of sections 326.02 to 326.15, if that person claims to be able to perform or does perform any professional service, such as consultation, study, or the preparation of plans and specifications in connection with using the principles of aesthetics in the design of interior public spaces, planning for public interior space utilization, the selection of furnishings that are required to meet code, the design of nonstructural elements for public interior

spaces, and services intended for the safeguarding of the public life, health, and property and the promoting of the public welfare.

(b) Licensed interior designers are prohibited from designing buildings, building structural systems, or mechanical, electrical, or fire and life safety systems for buildings.

(c) Architects licensed to practice in this state and the design of building systems by professional engineers are exempt from the provisions of this subdivision.

(d) This subdivision does not apply to those persons claiming to be interior designers who offer residential interior design services, including the selection of or assistance in selecting interior surface materials, window treatments, wall coverings, paint, floor coverings, surface mounted lighting fixtures, or loose furnishings not subject to regulation under applicable building codes."

Page 5, line 27, strike everything after "OF"

Page 5, line 28, strike the old language and delete the new language and insert "DESIGN PROFESSIONS"

Page 5, line 30, strike everything after "of"

Page 5, line 31, strike the old language and delete the new language

Page 5, line 32, after "design" insert "professions"

Page 9, line 10, after "and" insert "in the case of interior designers"

Page 9, line 11, delete "in the case of interior designers" and insert "or an educational institution accredited by the Foundation for Interior Design Education Research"

Page 13, after line 4, insert:

"Sec. 20. [APPROPRIATION.]

\$ . . . . . is appropriated from the general fund to the board of interior designers for the purposes of administering sections 1 to 19."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 333, A bill for an act relating to recreational vehicles; regulating all-terrain vehicles; setting fees; imposing a penalty; amending Minnesota Statutes 1988, sections 84.92, by adding subdivisions; 84.922, subdivisions 1 and 5; 84.924, subdivision 3; 84.9256, subdivisions 1, 2, and 3; 84.928, subdivisions 1, 2, and 6; and 84.929; proposing coding for new law in Minnesota Statutes, chapter 84; repealing Minnesota Statutes 1988, sections 84.922, subdivision 8; 84.925, subdivision 2; and 84.928, subdivision 7.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 3.736, subdivision 3, is amended to read:

Subd. 3. [EXCLUSIONS.] Without intent to preclude the courts from finding additional cases where the state and its employees should not, in equity and good conscience, pay compensation for personal injuries or property losses, the legislature declares that the state and its employees are not liable for the following losses:

(a) a loss caused by an act or omission of a state employee exercising due care in the execution of a valid or invalid statute or rule;

(b) a loss caused by the performance or failure to perform a discretionary duty, whether or not the discretion is abused;

(c) a loss in connection with the assessment and collection of taxes;

(d) a loss caused by snow or ice conditions on a highway or public sidewalk that does not abut a publicly owned building or a publicly owned parking lot, except when the condition is affirmatively caused by the negligent acts of a state employee;

(e) a loss caused by wild animals in their natural state, except as provided in section 3.7371;

(f) a loss other than injury to or loss of property or personal injury or death;

(g) a loss caused by the condition of unimproved real property owned by the state, which means land that the state has not improved, state land that contains idled or abandoned mine pits or shafts, and appurtenances, fixtures, and attachments to land that the state has neither affixed nor improved;

(h) a loss incurred by a user within the boundaries of the outdoor recreation system and arising from the construction, operation, or maintenance of the outdoor recreation system, as defined in section 86A.04, or from the clearing of land, removal of refuse, and creation of trails or paths without artificial surfaces or for a loss arising from the construction, operation, maintenance, or administration of grants-in-aid trails as defined in section 85.018, or for a loss arising from the construction, operation, or maintenance of a water access site created by the iron range resources and rehabilitation board, or for any other loss arising from construction on, or the operation, maintenance, or administration of lands administered by the commissioner of natural resources, except that the state is liable for conduct that would entitle a trespasser to damages against a private person. For the purposes of this clause, a water access site, as defined in section 86A.04 or created by the iron range resources and rehabilitation board, that provides access to an idled, water filled mine pit, also includes the entire water filled area of the pit and, further, includes losses caused by the caving or slumping of the mine pit walls;

(i) a loss of benefits or compensation due under a program of public assistance or public welfare, except if state compensation for loss is expressly required by federal law in order for the state to receive federal grants-in-aid;

(j) a loss based on the failure of a person to meet the standards needed for a license, permit, or other authorization issued by the state or its agents;

(k) a loss based on the usual care and treatment, or lack of care and treatment, of a person at a state hospital or state corrections facility where reasonable use of available appropriations has been made to provide care;

(l) loss, damage, or destruction of property of a patient or inmate of a state institution;

(m) a loss for which recovery is prohibited by section 169.121, subdivision 9; and

(n) a loss caused by an aeration, bubbler, water circulation, or similar system used to increase dissolved oxygen or maintain open water on the ice of public waters, that is operated under a permit issued by the commissioner of natural resources.

The state will not pay punitive damages.

Sec. 2. Minnesota Statutes 1988, section 84.92, subdivision 1, is amended to read:

Subdivision 1. [SCOPE.] The definitions in this section apply to sections 84.92 to 84.929 and Laws 1984, chapter 647, section 9 84.9291.

Sec. 3. Minnesota Statutes 1988, section 84.92, is amended by adding a subdivision to read:

Subd. 1b. [ACCOMPANIED.] "Accompanied" means being subject to continuous direction or control.

Sec. 4. Minnesota Statutes 1988, section 84.92, is amended by adding a subdivision to read:

Subd. 1c. [AGRICULTURAL PURPOSE.] "Agricultural purpose" means used exclusively for an agricultural use as defined in subdivision 1d.

Sec. 5. Minnesota Statutes 1988, section 84.92, is amended by adding a subdivision to read:

Subd. 1d. [AGRICULTURAL USE.] "Agricultural use" means use in agricultural production or growing activities described in section 17.53, subdivision 13, or harvesting of wood for commercial or firewood purposes, by any person, whether or not a producer or harvester.

Sec. 6. Minnesota Statutes 1988, section 84.92, is amended by adding a subdivision to read:

Subd. 1e. [CITY.] "City" means a home rule charter or statutory city.

Sec. 7. Minnesota Statutes 1988, section 84.92, is amended by adding a subdivision to read:

Subd. 6a. [PUBLIC ROAD RIGHT-OF-WAY.] "Public road right-of-way" means the entire right-of-way of a public road, including the traveled portions, banks, ditches, shoulders, and medians of a roadway that is not privately owned.

Sec. 8. Minnesota Statutes 1988, section 84.922, subdivision 1, is amended to read:

Subdivision 1. [GENERAL REQUIREMENTS.] Unless exempted in subdivision 8 1a, after January 1, 1985, a person may not operate and an owner may not give permission for another to operate an all-terrain vehicle within the state unless the vehicle has been registered. After January 1, 1985, a person may not sell a vehicle without furnishing the buyer a bill of sale on a form prescribed by

the commissioner with the commissioner of natural resources, or is exempt from registration.

Sec. 9. Minnesota Statutes 1988, section 84.922, is amended by adding a subdivision to read:

Subd. 1a. [EXEMPTIONS.] All-terrain vehicles exempt from registration are:

(1) vehicles owned and used by the United States, the state, another state, or a political subdivision;

(2) vehicles registered in another state or country that have not been in this state for more than 30 consecutive days; and

(3) vehicles used exclusively in organized track racing events.

Sec. 10. Minnesota Statutes 1988, section 84.922, is amended by adding a subdivision to read:

Subd. 2a. [PRIVATE USE REGISTRATION.] All-terrain vehicles may be registered for private use that are used exclusively for private or agricultural use or used exclusively on private property. Private use registration is valid from the date of issuance until ownership of the all-terrain vehicle is transferred. Private or agricultural use registrations are not transferable.

Sec. 11. Minnesota Statutes 1988, section 84.922, subdivision 5, is amended to read:

Subd. 5. [FEES FOR REGISTRATION.] (a) The fee for a three-year registration of each an all-terrain vehicle under this section, other than those registered by a dealer or manufacturer under paragraph (b) or (c), is:

(1) for public use, \$18 for three years;

(2) for private use, \$6; and \$4

(3) for a duplicate or transfer, \$4.

(b) The total registration fee for all-terrain vehicles owned by a dealer and operated for demonstration or testing purposes is \$50 per year. Dealer registrations are not transferable.

(c) The total registration fee for all-terrain vehicles owned by a manufacturer and operated for research, testing, experimentation, or demonstration purposes is \$150 per year. Manufacturer registrations are not transferable.

(d) The fees collected under this subdivision must be credited to the all-terrain vehicle account.

Sec. 12. Minnesota Statutes 1988, section 84.924, subdivision 3, is amended to read:

Subd. 3. [ACCIDENT REPORT; REQUIREMENT AND FORM.]  
The operator and an officer investigating an accident of an all-terrain vehicle involved in an accident resulting in injury requiring medical attention or hospitalization to or death of a person or total damage to an extent of \$100 \$300 or more shall promptly within ten days forward a written report of the accident to the commissioner of natural resources on a form prescribed by either the commissioner of natural resources or by the commissioner of public safety.

Sec. 13. Minnesota Statutes 1988, section 84.9256, subdivision 1, is amended to read:

Subdivision 1. [PROHIBITIONS ON YOUTHFUL OPERATORS.]  
(a) Despite section 84.928 to the contrary, Except for operation on public road rights-of-way that is permitted under section 84.928, a driver's license issued by the state or another state is required to operate an all-terrain vehicle along or on a public road right-of-way.

(b) A person under 12 years of age shall not make a direct crossing of a trunk, county state-aid, or county highway as the operator of an all-terrain vehicle, or operate the vehicle upon a street or highway within a municipality, or operate an all-terrain vehicle on a public road right-of-way in the state, or operate an all-terrain vehicle on public lands or waters.

(b) (c) Except for public road rights-of-way of interstate highways, a person 12 years of age but less than 14 16 years may make a direct crossing of a public road right-of-way of a trunk, county state-aid, or county highway or operate on public lands and waters, only if that person possesses a valid all-terrain vehicle safety certificate issued by the commissioner and is accompanied on another all-terrain vehicle by a person over 18 years of age or holding older who holds a valid driver's license. A person under the age of 14 years shall not operate an all-terrain vehicle on public land or water under the jurisdiction of the commissioner unless accompanied by one of the following listed persons on the same vehicle, if designed for more than one person, or an accompanying all-terrain vehicle: the person's parent, legal guardian, or other person 18 years of age or older or holding a valid driver's license.

However, a person 12 years of age or older may operate an all-terrain vehicle on public lands and waters under the jurisdiction of the commissioner if that person possesses a valid all-terrain vehicle safety certificate issued by the commissioner.

(c) A person 14 years of age or older, but less than 16 years of age, may make a direct crossing of a trunk, county state-aid, or county highway only if that person possesses a valid all-terrain vehicle safety certificate issued by the commissioner or a valid motor vehicle operator's license.

(d) All-terrain vehicle safety certificates issued by the commissioner to persons 12 years old, but less than 16 years old, are not valid for machines in excess of 90cc engine capacity.

Sec. 14. Minnesota Statutes 1988, section 84.9256, subdivision 2, is amended to read:

Subd. 2. [HELMET REQUIRED.] A person less than 16 18 years of age shall not operate an all-terrain vehicle on public land, public waters, or on a public road right-of-way unless wearing a safety helmet approved by the commissioner of public safety.

Sec. 15. Minnesota Statutes 1988, section 84.9256, subdivision 3, is amended to read:

Subd. 3. [PROHIBITIONS ON OWNER.] It is unlawful for the An owner of an all-terrain vehicle to permit may not knowingly allow it to be operated contrary to this section.

Sec. 16. Minnesota Statutes 1988, section 84.928, subdivision 1, is amended to read:

Subdivision 1. [OPERATION ON STREETS AND HIGHWAYS ROADS AND RIGHTS-OF-WAY.] (a) A person shall not operate an all-terrain vehicle ~~upon~~ along or on the roadway, shoulder, or inside bank or slope of a public road right-of-way other than in the ditch or the outside bank or slope of a trunk, county state-aid, or county highway in this state and, in the case of a divided trunk or county highway, on the right-of-way between the opposing lanes of traffic, except as provided unless otherwise allowed in sections 84.92 to 84.929.

(b) A person may operate an all-terrain vehicle registered for private use and used for agricultural purposes on a public road right-of-way of a trunk, county state-aid, or county highway in this state, if the all-terrain vehicle is operated on the extreme right-hand side of the road, and left turns may be made from any part of the road if it is safe to do so under the prevailing conditions.

(c) A person shall not operate an all-terrain vehicle within the public road right-of-way of a trunk, county state-aid, or county highway from April 1 to August 1 in the agricultural zone unless the vehicle is being used exclusively as transportation to and from work on agricultural lands.

(d) A person shall not operate an all-terrain vehicle within the public road right-of-way of a trunk, county state-aid, or county highway between the hours of one-half hour after sunset to one-half hour before sunrise, except on the right-hand side of the right-of-way and in the same direction as the highway traffic on the nearest lane of the adjacent roadway.

(e) A person shall not operate an all-terrain vehicle at any time within the right-of-way of an interstate highway or freeway within this state.

Subd. 1a. [CROSSINGS OF A PUBLIC ROAD RIGHT OF WAY.]

~~(b)~~ (a) An all-terrain vehicle may make a direct crossing of a street or highway public road right-of-way provided:

(1) the crossing is made at an angle of approximately 90 degrees to the direction of the highway road and at a place where no obstruction prevents a quick and safe crossing;

(2) the vehicle is brought to a complete stop before crossing the shoulder or main traveled way of the highway road;

(3) the driver yields the right-of-way to all oncoming traffic that constitutes an immediate hazard;

(4) in crossing a divided highway road, the crossing is made only at an intersection of the highway road with another public street or highway road; and

(5) if the crossing is made between the hours of one-half hour after sunset to one-half hour before sunrise or in conditions of reduced visibility, only if both front and rear lights are on.

~~(e)~~ (b) An all-terrain vehicle may be operated upon a bridge, other than a bridge that is part of the main traveled lanes of an interstate highway, or roadway shoulder or inside bank of a public road right-of-way when required for the purpose of avoiding obstructions to travel when no other method of avoidance is possible; provided the all-terrain vehicle is operated in the extreme right-hand lane, the entrance to the roadway is made within 100 feet of the bridge or obstacle, and the crossing is made without undue delay.

~~(d)~~ (c) A person shall not operate an all-terrain vehicle upon a public street or highway unless the vehicle is equipped with at least one headlight and one taillight, each of minimum candlepower as prescribed by rules of the commissioner, with reflector material of a minimum area of 16 square inches mounted on each side forward of the handlebars, and with brakes conforming to standards prescribed by rule of the commissioner, and all of which are subject to the approval of the commissioner of public safety.

(e) (d) An all-terrain vehicle may be operated upon a public street or highway road right-of-way other than as provided by paragraph (b) in an emergency during the period of time when and at locations where the condition of the roadway renders travel by automobile impractical.

(f) (e) Chapter 169 applies to the operation of all-terrain vehicles upon streets and highways, except for those provisions relating to required equipment and except those provisions which by their nature have no application.

(g) (f) A sled, trailer, or other device being towed by an all-terrain vehicle must be equipped with reflective materials as required by rule of the commissioner.

(g) A driver's license is not required to operate an all-terrain vehicle along or on a public road right-of-way, if the right-of-way encompasses a trail administered by the commissioner and designated for all-terrain vehicle use or multiple use.

(h) A road authority as defined in section 160.02, subdivision 9, may by permit designate corridor access trails on public road rights-of-way for purposes of accessing established all-terrain vehicle trails. A driver's license is not required to operate an all-terrain vehicle on a designated corridor access trail.

Sec. 17. Minnesota Statutes 1988, section 84.928, subdivision 2, is amended to read:

Subd. 2. [OPERATION GENERALLY.] It is unlawful for A person to may not drive or operate an all-terrain vehicle:

(1) at a rate of speed greater than reasonable or proper under the surrounding circumstances;

(2) in a careless, reckless, or negligent manner so as to endanger or to cause injury or damage to the person or property of another;

(3) without headlight and taillight lighted at all times if the vehicle is equipped with headlight and taillight;

(4) without a functioning stoplight if so equipped; or

(5) in a tree nursery or planting in a manner which that damages or destroys growing stock;

(6) without a brake operational by either hand or foot;

(7) with more persons on the vehicle than it was designed for;

(8) at a speed exceeding ten miles per hour on the frozen surface of public waters within 100 feet of a person not on an all-terrain vehicle or within 100 feet of a fishing shelter; or

(9) in a manner that violates operation rules adopted by the commissioner.

Sec. 18. Minnesota Statutes 1988, section 84.928, subdivision 6, is amended to read:

Subd. 6. [REGULATIONS BY POLITICAL SUBDIVISIONS.] ~~Despite any provision in this section~~ (a) Notwithstanding any law to the contrary, a county board, by resolution, may permit the operation of all-terrain vehicles upon the roadway, shoulder, or inside bank or slope of a county highway or county state-aid highway if the roadway is in the agricultural zone or if safe operation in the ditch or outside bank or slope of the highway is impossible, in which case the county board shall provide appropriate notice city or town, acting through its governing body, may by resolution or ordinance prohibit the operation of all-terrain vehicles on city streets or town roads in its jurisdiction provided the regulations are otherwise consistent with sections 84.92 to 84.929.

(b) A county or city, or a town acting by its town board, may regulate the operation of all-terrain vehicles on public lands, waters, and property under its jurisdiction ~~and on streets and highways other than public road rights-of-way~~ within its boundaries, by resolution or ordinance of the governing body and by giving appropriate notice, provided:

(1) the regulations are must be consistent with sections 84.92 to 84.929 and rules adopted under section 84.924. However, the local governmental unit may not adopt;

(2) an ordinance which (1) imposes may not impose a fee for the use of public land or water under the jurisdiction of either the department of natural resources or other agency of the state, or for the use of an access to it owned by the state or a county or a city, or (2) requires; and

(3) an ordinance may not require an all-terrain vehicle operator to possess a motor vehicle driver's license while operating an all-terrain vehicle.

(c) Notwithstanding any law to the contrary, a county board by ordinance may allow the operation of all-terrain vehicles on the road right-of-way shoulder, or inside bank or slope of a county highway or county state-aid highway, if:

(1) the highway is in the agricultural zone; or

(2) safe operation in the ditch or outside slope is impossible, and the county posts the appropriate notice.

Sec. 19. Minnesota Statutes 1988, section 84.929, is amended to read:

84.929 [PENALTIES.]

Any person who violates any provision of sections ~~84.922, 84.923, and 84.925~~ 84.92 to 84.928 or rules of the commissioner is guilty of a petty misdemeanor.

Sec. 20. [84.9291] [COSTS AND FEES.]

The court shall award direct legal costs resulting from a lawsuit, including reasonable attorney's fees, to a public or private owner, lessee, permittee, or occupant, who is determined not to be liable for injury to a person or property arising from operation of a vehicle that is subject to sections 84.92 to 84.929.

Sec. 21. Minnesota Statutes 1988, section 171.03, is amended to read:

171.03 [PERSONS EXEMPT.]

The following persons are exempt from license hereunder:

(1) Any person in the employ or service of the United States federal government while driving or operating a motor vehicle owned by or leased to the United States federal government;

(2) Any person while driving or operating any farm tractor, or implement of husbandry temporarily operated or moved on a highway, and for purposes of this section an all-terrain vehicle, as defined in section 84.92, subdivision 8, is not an implement of husbandry;

(3) A nonresident who is at least 15 years of age and who has in immediate possession a valid driver's license issued to the nonresident in the home state or country may operate a motor vehicle in this state only as a driver;

(4) Any nonresident who is at least 18 years of age, whose home state or country does not require the licensing of drivers may operate a motor vehicle as a driver, only for a period of not more than 90 days in any calendar year if the motor vehicle so operated is duly registered for the current calendar year in the home state or country of such nonresident;

(5) Any person who becomes a resident of the state of Minnesota and who has in possession a valid driver's license issued to the person under and pursuant to the laws of some other state or province or by military authorities of the United States may operate a motor vehicle as a driver, only for a period of not more than 60 days after becoming a resident of this state without being required to have a Minnesota driver's license as provided in this chapter;

(6) Any person operating a snowmobile, as defined in section 84.81.

Sec. 22. [REPEALER.]

Minnesota Statutes 1988, sections 84.922, subdivision 8; 84.925, subdivision 2; and 84.928, subdivision 7 are repealed."

Delete the title and insert:

"A bill for an act relating to recreational vehicles; regulating all-terrain vehicles; setting fees; revising liability provisions; imposing a penalty; amending Minnesota Statutes 1988, sections 3.736, subdivision 3; 84.92, subdivision 1, and by adding subdivisions; 84.922, subdivisions 1 and 5, and by adding subdivisions; 84.924, subdivision 3; 84.9256, subdivisions 1, 2, and 3; 84.928, subdivisions 1, 2, and 6; 84.929; and 171.03; proposing coding for new law in Minnesota Statutes, chapter 84; repealing Minnesota Statutes 1988, sections 84.922, subdivision 8; 84.925, subdivision 2; and 84.928, subdivision 7."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 386, A bill for an act relating to health; permitting various public hospitals to hold closed meetings on certain facility business; permitting certain data to be treated as trade secret information; amending Minnesota Statutes 1988, section 144.581, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 144.581, is amended by adding a subdivision to read:

Subd. 5. [CLOSED MEETINGS; RECORDING.] (a) Notwithstanding the provisions of subdivision 4 or section 471.705, a public hospital or an organization established under this section may hold a closed meeting to discuss specific marketing activity and contracts that might be entered into pursuant to the marketing activity in cases where the hospital or organization is in competition with health care providers that offer similar goods or services, and where disclosure of information pertaining to those matters would cause harm to the competitive position of the hospital or organization, provided that the goods or services do not require a tax levy. No contracts referred to in this paragraph may be entered into earlier than 15 days after the proposed contract has been described at a public meeting and the description entered in the minutes, except for contracts for consulting services or with individuals for personal services.

(b) A meeting may not be closed under paragraph (a) except by a majority vote of the board of directors in a public meeting. The time and place of the closed meeting must be announced at the public meeting. A written roll of members present at the closed meeting must be available to the public after the closed meeting. The proceedings of a closed meeting must be tape recorded and preserved by the board of directors for two years. The data on the tape are nonpublic data under section 13.02, subdivision 9. However, the data become public data under section 13.02, subdivision 14, two years after the meeting, or when the hospital or organization takes action on matters referred to in paragraph (a). For entities subject to section 471.345, a contract entered into by the board is subject to the requirements of section 471.345.

(c) The board of directors may not discuss a tax levy at a closed meeting."

Amend the title as follows:

Page 1, lines 4 and 5, delete "permitting certain data to be treated as trade secret information;"

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. 400, A bill for an act relating to natural resources; requiring written notice to the commissioner of natural resources of the vacation of roads, highways, streets, alleys, and similar public grounds that terminate at or abut upon any public water; amending Minnesota Statutes 1988, sections 161.16, subdivision 6; 163.11, by

adding a subdivision; 164.07, subdivision 2; 412.851; 440.13; 440.135, subdivision 2; and 505.14.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 417, A bill for an act relating to solid waste; establishing plans and programs to reduce waste generated, recycle waste, develop markets for recyclables, address materials that cause special problems in the waste stream, prevent, control, and abate litter, inform and educate the public on proper waste management; appropriating money; amending Minnesota Statutes 1988, sections 18B.01, by adding a subdivision; 115A.03, by adding subdivisions; 115A.072; 115A.12, subdivision 1; 115A.15, subdivision 5, and by adding subdivisions; 115A.46, subdivision 2, and by adding a subdivision; 115A.48, subdivision 3, and by adding subdivisions; 115A.96, subdivision 2, and by adding a subdivision; 116.07, by adding a subdivision; 116K.04, by adding a subdivision; 275.51, subdivision 1; 297A.01, subdivision 3; 297A.44, subdivision 1; 325E.115, subdivision 1; 400.08, by adding a subdivision; 473.149, subdivision 1; and 473.803, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 18B; 115A; 116C; 116J; 173; 297A; and 473.

Reported the same back with the following amendments:

Page 5, line 11, after "government" insert ", other than a school district,"

Page 27, line 6, delete "persons" and insert "school districts, education districts, or ECSU's"

Page 27, line 7, after "information" insert "to students in kindergarten through grade 12"

Page 27, line 9, delete "formal and informal education facilities" and insert "school districts, education districts, or ECSU's"

Page 27, line 12, delete "educational operations" and insert "the education curriculum"

Page 27, lines 13 and 14, delete "formal and informal education facilities" and insert "school districts, education districts, or ECSU's"

Page 27, line 19, delete the first comma and after "service" insert ", and other post-secondary institutions,"

Page 27, delete lines 22 to 29 and insert:

"The state board of education and the department of education shall include waste education components in the model learner outcomes and essential learner outcomes developed for environmental education under section 126.663, subdivisions 2 and 3."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Skoglund from the Committee on Insurance to which was referred:

H. F. No. 530, A bill for an act relating to health; establishing an insurance information program for seniors to be financed by a surcharge on license fees for insurance agents; appropriating money; amending Minnesota Statutes 1988, section 60A.14, subdivision 1, and by adding a subdivision; and 256.9742, by adding a subdivision.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 60A.14, subdivision 1, is amended to read:

Subdivision 1. [FEES OTHER THAN EXAMINATION FEES.] In addition to the fees and charges provided for examinations, the following fees must be paid to the commissioner for deposit in the general fund:

(a) by township mutual fire insurance companies:

(1) for filing certificate of incorporation \$25 and amendments thereto, \$10;

(2) for filing annual statements, \$15;

(3) for each annual certificate of authority, \$15;

(4) for filing bylaws \$25 and amendments thereto, \$10.

(b) by other domestic and foreign companies including fraternal and reciprocal exchanges:

(1) for filing certified copy of certificate of articles of incorporation, \$100;

(2) for filing annual statement, \$225;

(3) for filing certified copy of amendment to certificate or articles of incorporation, \$100;

(4) for filing bylaws, \$75 or amendments thereto, \$75;

(5) for each company's certificate of authority, \$575, annually.

(c) the following general fees apply:

(1) for each certificate, including certified copy of certificate of authority, renewal, valuation of life policies, corporate condition or qualification, \$15;

(2) for each copy of paper on file in the commissioner's office 50 cents per page, and \$2.50 for certifying the same;

(3) for license to procure insurance in unadmitted foreign companies, \$575;

(4) for receiving and forwarding each notice, proof of loss, summons, complaint or other process served upon the commissioner of commerce, as attorney for service of process upon any nonresident agent or insurance company, including reciprocal exchanges, \$15 plus the cost of effectuating service by certified mail, which amount must be paid by the party serving the notice and may be taxed as other costs in the action;

(5) for valuing the policies of life insurance companies, one cent per \$1,000 of insurance so valued. The commissioner may, in lieu of a valuation of the policies of any foreign life insurance company admitted, or applying for admission, to do business in this state, accept a certificate of valuation from the company's own actuary or from the commissioner of insurance of the state or territory in which the company is domiciled;

(6) for receiving and filing certificates of policies by the company's actuary, or by the commissioner of insurance of any other state or territory, \$50;

(7) for issuing an initial license to an individual agent, ~~\$20~~ \$22 per license, for issuing an initial agent's license to a partnership or corporation, ~~\$50~~ \$55, and for issuing an amendment (variable annuity) to a license, \$20, and for renewal of amendment, \$20;

(8) for each appointment of an agent filed with the commissioner, a domestic insurer shall remit \$5 and all other insurers shall remit \$3;

(9) for renewing an individual agent's license, ~~\$20~~ \$22 per year per license, and for renewing a license issued to a corporation or partnership, ~~\$50~~ \$55 per year;

(10) for issuing and renewing a surplus lines agent's license, \$150;

(11) for issuing duplicate licenses, \$5;

(12) for issuing licensing histories, \$10;

(13) for filing forms and rates, \$50 per filing;

(14) for annual renewal of surplus lines insurer license, \$300.

The commissioner shall adopt rules to define filings that are subject to a fee.

Sec. 2. Minnesota Statutes 1988, section 60A.14, is amended by adding a subdivision to read:

Subd. 3. [SURCHARGE FOR INSURANCE INFORMATION PROGRAMS FOR SENIORS.] Of the fees collected under subdivision 1, paragraph (c), clauses (7) and (9), \$2 of the amount collected for issuing or renewing an individual agent's license and \$5 of the amount collected for issuing or renewing a partnership's or corporation's license must be deposited in the special revenue account and are appropriated to the board on aging for insurance information programs for seniors under section 256.975, subdivision 2a.

Sec. 3. Minnesota Statutes 1988, section 256.975, is amended by adding a subdivision to read:

Subd. 2a. [INSURANCE INFORMATION PROGRAMS FOR SENIORS.] (a) The board shall establish directly or by contract a statewide insurance information program for seniors to provide information and advocacy to seniors who are having difficulty understanding or purchasing insurance policies or submitting claims. The program must make available to seniors information to enable them to compare policies and determine which types of insurance policies meet their insurance needs. The program shall provide advocacy services for seniors experiencing difficulty submitting claims or obtaining payment for covered services. The program must include a toll-free insurance information telephone number and training programs for volunteers.

(b) The board may make grants to consumer-sponsored, nonprofit agencies or legal services offices to provide insurance information and advocacy in county or multicounty areas. These agencies or offices must provide telephone information, conduct regional information seminars, and provide advocacy services for seniors.

Amend the title as follows:

Page 1, line 7, delete "256.9742" and insert "256.975"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 555, A bill for an act relating to charitable gambling; including within the definition of "lawful purpose" certain expenditures for the erection, acquisition, maintenance and repair of real property; amending Minnesota Statutes 1988, section 349.12, subdivision 11.

Reported the same back with the following amendments:

Page 2, line 3, after "board" insert "has first" and strike "authorizes" and insert "authorized"

Page 2, after line 17, insert:

"Sec. 2. Minnesota Statutes 1988, section 349.50, subdivision 2, is amended to read:

Subd. 2. [COMMISSIONER BOARD.] "Commissioner" means the commissioner of public safety "Board" means the charitable gambling control board.

Sec. 3. Minnesota Statutes 1988, section 349.51, subdivision 1, is amended to read:

Subdivision 1. [LICENSE REQUIRED.] No person shall engage in the business of a distributor or operator of video games of chance at any place of business without first having received a license from the department board to engage in that business at that location.

Sec. 4. Minnesota Statutes 1988, section 349.51, subdivision 2, is amended to read:

Subd. 2. [APPLICATION; REQUIREMENTS.] (a) Every application for a license must be made on a form prescribed by the department board and must state the name and address of the applicant. If the applicant is a firm, partnership, or association, the application must state the name and address of each of its members. If the applicant is a corporation, the application must state the name and address of each of its officers, the date of incorporation, the address of its principle place of business, the place where the business is to be licensed and business conducted, and information concerning whether or not any officer, director, resident manager, or direct salesperson of the applicant has been convicted of a felony or convicted for a gambling offense within the past five years. The application may contain other information the department board requires for licensing purposes.

(b) Every applicant for a license shall be a legal resident or be incorporated within the state of Minnesota prior to the date of application for a distributor or operator license.

(c) Every applicant shall disclose under oath to the commissioner board whether or not the applicant has any financial, legal, or other interests in a licensed wholesale liquor or alcoholic beverage distributorship or video game of chance distributorship in another state.

(d) No distributor may also be a wholesale distributor of liquor or alcoholic beverages.

(e) No distributor in this state may also be a distributor in another state, unless the distributor adequately demonstrates that the distributor does not manufacture video games of chance outside of this state for use, sale, or distribution within this state.

Sec. 5. Minnesota Statutes 1988, section 349.51, subdivision 5, is amended to read:

Subd. 5. [LICENSE ISSUED.] Upon receipt of the application, the bond in proper form, and payment of the license fee required by subdivision 3, the department board shall issue a license in form as prescribed by the department to the applicant, unless it determines that the applicant is otherwise unqualified. The license permits the applicant to whom it is issued to engage in business as a distributor or operator at the place of business shown in the application. The department board must assign a license number to each person licensed at the time the initial license is issued. The license number must be inscribed upon all licenses issued to that distributor or operator.

Sec. 6. Minnesota Statutes 1988, section 349.52, is amended to read:

**349.52 [VIDEO GAME OF CHANCE LICENSES.]**

Subdivision 1. [REQUIREMENTS.] In addition to a license, an operator must obtain from the ~~commissioner~~ board an annual nontransferable license for each video game of chance. The license fee is \$120 per game. The fee must be prorated according to the number of months remaining in the calendar year at the time of the license application.

Subd. 2. [COLLECTION.] At the time a video game of chance is sold to an operator, the distributor must collect the license fee specified in subdivision 1. The distributor must affix to each game a stamp containing the operator's license number. All license fees must be given to the ~~commissioner~~ board for distribution under subdivision 3.

Subd. 3. [VIDEO GAMING LICENSE ACCOUNT.] (a) Fees collected by the ~~commissioner~~ board under sections 349.50 to 349.60 must be deposited in the state treasury in a special account to be known as the "video gaming license account." Money in the account is appropriated to the ~~commissioner~~ board for distribution under paragraph (b).

(b) The operator shall, by January 31 of each year, certify to the ~~commissioner~~ board the number of video games of chance located in each city, and in each county outside of incorporated areas, on December 31 of the previous year. Within 15 days of receiving this certification the ~~commissioner~~ board shall pay from the video gaming license account to each city and county \$30 for each video game of chance located in the city or in the county outside city limits. After making these payments the ~~commissioner~~ board shall transfer the unexpended balance in the account to the general fund.

Subd. 4. [LOCAL FEES PROHIBITED.] A municipality may not impose a fee or tax of any kind on video games of chance.

Sec. 7. Minnesota Statutes 1988, section 349.53, is amended to read:

**349.53 [RECORD-KEEPING DUTIES OF DISTRIBUTORS.]**

A distributor shall keep at each licensed place of business complete and accurate records for that place of business, including invoices of video games of chance held, purchased, manufactured, brought in or caused to be brought in from outside the state, or shipped or transported to operators in this state, and of all sales of video games of chance made. The distributor must also keep adequate records of the names, addresses, and license numbers of operators to whom video games of chance are sold. All books, records, and other papers and documents required by this section to

be kept must be preserved for a period of at least one year after the date of the documents, or the date of their entries as they appear in the records, unless the department board, in writing, authorizes their destruction or disposal at an earlier date. At any time during usual business hours, the commissioner board or designated representatives may enter any place of business of a distributor without a search warrant and inspect the premises and the records required to be kept under this section, to determine whether or not all the provisions of this chapter are being fully complied with. If the commissioner board or any representative is denied free access or is hindered or interfered with in making an examination, the license of the distributor at the premises is subject to revocation.

Sec. 8. Minnesota Statutes 1988, section 349.54, is amended to read:

349.54 [ACCESS TO GAMES.]

The commissioner board and designated representatives must be given access to all video games of chance, whether the games are in the possession of distributors, operators, or owners, upon reasonable notice.

Sec. 9. Minnesota Statutes 1988, section 349.56, is amended to read:

349.56 [LOCATION AGREEMENTS.]

An operator is required to have a location agreement with the owner where the game is placed for use by the public. The location agreement must show that the game is to be placed only in locations permitted by law. The location agreements, together with the other records of the operator, must be accessible to the commissioner board and designated representatives. The operator is required to certify under oath to the department board annually the name and address of the location in which each game has been placed and that the games have been placed only in locations permitted by law. Placing a game in an illegal location is grounds for suspension or revocation of the operator's license.

Sec. 10. Minnesota Statutes 1988, section 349.59, is amended to read:

349.59 [CONTRABAND.]

Subdivision 1. [PACKAGES DECLARED TO BE CONTRABAND.] The following are declared to be contraband:

- (1) all video games of chance which do not have a licensing stamp

affixed to them and all containers that contain contraband video games of chance;

(2) all video games of chance to which the commissioner board or designated representatives have been denied access for the inspection of contents. In lieu of seizure, the commissioner board or designated representatives may seal the game to prevent its use until inspection of contents is permitted;

(3) all video games of chance at a location at which there is no location agreement in force; and

(4) all video games of chance illegally brought into the state.

Subd. 2. [SEIZURE.] Contraband may be seized by the commissioner or designated representatives of the board or by any sheriff or other police officer, with or without process, and is subject to forfeiture as provided in subdivision 3.

Subd. 3. [DISPOSITION OF SEIZED PROPERTY.] The person who has seized the property must follow the procedure set forth under section 297A.15, subdivision 4. Whenever the commissioner board is satisfied that any person from whom property is seized under this section acting in good faith and without intent to evade the tax imposed by those sections, the commissioner board shall release the property seized without further legal proceedings.

#### Sec. 11. [REPEALER.]

Minnesota Statutes 1988, section 349.50, subdivision 3, is repealed.

Amend the title as follows:

Page 1, line 5, after the semicolon insert "transferring authority to license video games of chance from the department of public safety to the charitable gambling control board;"

Page 1, line 6, delete "section" and insert "sections" and before the period insert "; 349.50, subdivision 2; 349.51, subdivisions 1, 2, and 5; 349.52; 349.53; 349.54; 349.56; and 349.59; repealing Minnesota Statutes 1988, section 349.50, subdivision 3"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 615, A bill for an act relating to child maltreatment; authorizing the commissioner of human services to provide for the establishment of a statewide 24-hour toll-free telephone helpline; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 626.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 624, A bill for an act relating to commerce; regulating real estate appraisers; creating the real estate appraiser advisory board; providing for membership, compensation, powers, and duties; providing licensing and education requirements; regulating the issuance, renewal, suspension, and revocation of licenses; providing fees; prescribing penalties; appropriating money; proposing coding for new law as Minnesota Statutes, chapter 82B.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kostohryz from the Committee on General Legislation, Veterans Affairs and Gaming to which was referred:

H. F. No. 637, A bill for an act relating to the military; enacting financial incentives for members of the national guard; creating cash bonus and tuition reimbursement programs; appropriating money; providing that the appropriations for the national guard cash bonus and tuition assistance programs are available until expended and that the appropriation for one program may be used for the other; amending Laws 1988, chapter 686, section 21.

Reported the same back with the following amendments:

Page 1, line 11, after the period insert "[192.501]"

Page 1, line 14, delete "\$100" and insert "\$300"

Page 3, line 17, delete "\$2,320,000" and insert "\$6,960,000"

Page 6, delete lines 4 and 5

Amend the title as follows:

Page 1, line 9, after the semicolon insert "proposing coding for new law in Minnesota Statutes, chapter 192;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 649, A bill for an act relating to human services; authorizing the commissioner of human services to award a grant to a statewide parent self-help child abuse prevention organization; appropriating money.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 655, A bill for an act relating to state lands; authorizing sale of certain tax-forfeited lands that border public waters in Anoka county.

Reported the same back with the following amendments:

Page 1, line 17, after the period insert "With regard to clause (3), the conservation easement shall apply only to the north 360 feet of the described parcel."

Page 2, line 12, after the second "the" insert "west"

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. 660, A bill for an act relating to natural resources; changing certain provisions relating to the acquisition, disposition, and exchange of state lands; amending Minnesota Statutes 1988, sections 84.0272; 84.0274, by adding a subdivision; 94.09, subdivision 2; and 94.342, subdivision 3.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 661, A bill for an act relating to pollution; regulating the disposal of infectious and pathological wastes; providing for penalties for violation; appropriating money; amending Minnesota Statutes, section 609.671, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 116.

Reported the same back with the following amendments:

Page 4, line 5, delete "disposed of" and insert "managed"

Page 6, lines 12 and 25, delete "may" and insert "shall"

Page 7, line 20, delete "may" and insert "shall"

Page 8, line 29, delete "6" and insert "11"

Page 8, lines 30 and 31, delete "or pathological"

Page 8, line 32, delete "6" and insert "11"

Page 8, line 34, delete "or pathological"

Page 9, line 1, delete "or pathological waste"

Amend the title as follows:

Page 1, line 5, after "Statutes" insert "1988"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 788, A bill for an act relating to human services; establishing state child mortality review panel; authorizing the state to require local reviews; protecting data generated by the review panel as confidential and nondiscoverable; clarifying neglect or endangerment of a child; amending Minnesota Statutes 1988, sections 256.01, by adding a subdivision; 609.378; 626.556, subdivision 2; and 626.558.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [145.898] [SUDDEN INFANT DEATH.]

The department of health shall develop uniform investigative guidelines and protocols for coroners and medical examiners conducting death investigations and autopsies of children under two years of age.

Sec. 2. Minnesota Statutes 1988, section 256.01, is amended by adding a subdivision to read:

Subd. 12. [CHILD MORTALITY REVIEW PANEL.] (a) The commissioner shall establish a child mortality review panel for reviewing deaths of children in Minnesota, including deaths attributed to maltreatment or in which maltreatment may be a contributing cause. The commissioners of health, education, and public safety and the attorney general shall each designate a representative to the child mortality review panel. Other panel members shall be appointed by the commissioner. The purpose of the panel shall be to make recommendations to the state and to local agencies for improving the child protection system, including modifications in statute, rule, policy, and procedure.

(b) The commissioner may require a local agency to establish a local child mortality review panel. The commissioner may establish procedures for conducting local reviews and may require that all professionals with knowledge of a child mortality case participate in the local review. In this section, “professional” means a person licensed to perform or a person performing a specific service in the child protective service system. “Professional” includes law enforce-

ment personnel, social service agency attorneys, educators, and social service, health care, and mental health care providers.

(c) In order to monitor and develop services to protect children from death caused by maltreatment or in which maltreatment may be a contributing cause, the commissioner of human services may request data defined as not public under sections 13.02, subdivision 8a and 13.10, from the records of all state agencies, statewide systems, or political subdivisions that have records relating to a child who has died or the child's family. All state agencies, statewide systems, and political subdivisions shall provide the data the commissioner requests under this paragraph. Not public data as defined by sections 13.02, subdivision 8a and 13.10 may be shared with members of the state or local child mortality review panel in connection with an individual case.

(d) Notwithstanding its classification in the possession of any other agency, data acquired by the state child mortality review panel or a local child mortality review panel in the exercise of its duties is protected nonpublic or confidential data as defined in section 13.02, but may be disclosed as necessary to carry out the purposes of the review panel. The data is not subject to subpoena or discovery. The commissioner may disclose conclusions of the review panel, but shall not disclose data that was classified as confidential or private data on decedents, under section 13.10, or private, confidential, or protected nonpublic data in the disseminating agency.

(e) A person attending a child mortality review panel meeting shall not disclose what transpired at the meeting, except to carry out the purposes of the mortality review panel. The proceedings and records of the mortality review panel are protected nonpublic data as defined in section 13.02, subdivision 13, and are not subject to discovery or introduction into evidence in a civil or criminal action against a professional, the state or a local agency, arising out of the matters the panel is reviewing. Information, documents, and records otherwise available from other sources are not immune from discovery or use in a civil or criminal action solely because they were presented during proceedings of the review panel. A person who presented information before the review panel or who is a member of the panel shall not be prevented from testifying about matters within the person's knowledge. However, in a civil or criminal proceeding a person shall not be questioned about the person's presentation of information to the review panel or opinions formed by the person as a result of the review meetings.

Sec. 3. Minnesota Statutes 1988, section 609.378, is amended to read:

609.378 [NEGLECT OR ENDANGERMENT OF A CHILD.]

Subdivision 1. [NEGLECT.] (a) A parent, legal guardian, or caretaker who willfully deprives a child of necessary food, clothing, shelter, health care, or supervision appropriate to the child's age, when the parent, guardian, or caretaker is reasonably able to make the necessary provisions and which the deprivation substantially harms the child's physical or emotional health, or is guilty of neglect of a child and may be sentenced as provided in subdivision 3. If a parent, guardian, or caretaker responsible for the child's care in good faith selects and depends upon spiritual means or prayer for treatment or care of disease or remedial care of the child, this treatment shall constitute "health care" as used in this paragraph.

(b) A parent, legal guardian, or foster parent caretaker who knowingly permits the continuing physical or sexual abuse of a child is guilty of neglect of a child and may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both as provided in subdivision 3. It is a defense to a prosecution under clause (b) this paragraph that at the time of the neglect there was a reasonable apprehension in the mind of the defendant that acting to stop or prevent the neglect would result in substantial bodily harm to the defendant or the child in retaliation.

If a parent, guardian, or caretaker responsible for the child's care in good faith selects and depends upon spiritual means or prayer for treatment or care of disease or remedial care of the child, this treatment shall constitute "health care" as used in clause (a).

Subd. 2. [ENDANGERMENT.] A parent, legal guardian, or caretaker who endangers a child's person or health by willfully causing or permitting the child to be placed in a situation likely to produce bodily or emotional harm or death is guilty of child endangerment and may be sentenced as provided in subdivision 3.

Subd. 3. [PENALTY.] A person who is convicted of neglect of a child or child endangerment may be sentenced to imprisonment for not more than one year or to payment of a fine of not more than \$3,000, or both.

Sec. 4. Minnesota Statutes 1988, section 626.556, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] As used in this section, the following terms have the meanings given them unless the specific content indicates otherwise:

(a) "Sexual abuse" means the subjection by a person responsible for the child's care, or by a person in a position of authority, as defined in section 609.341, subdivision 10, to any act which constitutes a violation of section 609.342, 609.343, 609.344, or 609.345. Sexual abuse also includes any act which involves a minor which constitutes a violation of sections 609.321, to 609.324 or 617.246.

(b) "Person responsible for the child's care" means (1) an individual functioning within the family unit and having responsibilities for the care of the child such as a parent, guardian, or other person having similar care responsibilities, or (2) an individual functioning outside the family unit and having responsibilities for the care of the child such as a teacher, school administrator, or other lawful custodian of a child having either full-time or short-term care responsibilities including, but not limited to, day care, babysitting whether paid or unpaid, counseling, teaching, and coaching.

(c) "Neglect" means failure by a person responsible for a child's care to supply a child with necessary food, clothing, shelter or medical care when reasonably able to do so or failure to protect a child from conditions or actions which imminently and seriously endanger the child's physical or mental health when reasonably able to do so. Nothing in this section shall be construed to (1) mean that a child is neglected solely because the child's parent, guardian, or other person responsible for the child's care in good faith selects and depends upon spiritual means or prayer for treatment or care of disease or remedial care of the child; ~~or (2) in lieu of medical care;~~ except that there is a duty to report if a lack of medical care may cause imminent and serious danger to the child's health. Nothing in this section shall be construed to impose upon persons, not otherwise legally responsible for providing a child with necessary food, clothing, shelter, or medical care, a duty to provide that care. Neglect also means "medical neglect" as defined in section 260.015, subdivision 10, clause (e).

(d) "Physical abuse" means any physical injury inflicted by a person responsible for the child's care on a child other than by accidental means, or any physical injury that cannot reasonably be explained by the child's history of injuries, or any aversive and deprivation procedures that have not been authorized under section 245.825.

(e) "Report" means any report received by the local welfare agency, police department, or county sheriff pursuant to this section.

(f) "Facility" means a day care facility, residential facility, agency, hospital, sanitarium, or other facility or institution required to be licensed pursuant to sections 144.50 to 144.58, 241.021, or 245.781 to 245.812.

(g) "Operator" means an operator or agency as defined in section 245A.02.

(h) "Commissioner" means the commissioner of human services.

(i) "Assessment" includes authority to interview the child, the person or persons responsible for the child's care, the alleged perpetrator, and any other person with knowledge of the abuse or

neglect for the purpose of gathering the facts, assessing the risk to the child, and formulating a plan.

(j) "Practice of social services," for the purposes of subdivision 3, includes but is not limited to employee assistance counseling and the provision of guardian ad litem services.

Sec. 5. Minnesota Statutes 1988, section 626.556, subdivision 10e, is amended to read:

Subd. 10e. [DETERMINATIONS.] Upon the conclusion of every assessment or investigation it conducts, the local welfare agency shall make two determinations: first, whether maltreatment has occurred; and second, whether child protective services are needed.

(a) For the purposes of this subdivision, "maltreatment" means any of the following acts or omissions committed by a person responsible for the child's care:

(1) an assault, as defined in section 609.02, subdivision 10, or any physical contact not exempted by section 609.379, where the assault or physical contact is either severe or recurring and causes either injury or significant risk of injury to the child;

(2) neglect as defined in subdivision 2, paragraph (c); or

(3) sexual abuse as defined in subdivision 2, paragraph (a).

(b) For the purposes of this subdivision, a determination that child protective services are needed means that the local welfare agency has documented conditions during the assessment or investigation sufficient to cause a child protection worker, as defined in section 626.559, subdivision 1, to conclude that a child is at significant risk of maltreatment if protective intervention is not provided and that the individuals responsible for the child's care have not taken or are not likely to take actions to protect the child from maltreatment or risk of maltreatment.

(c) This subdivision shall not be construed to mean that maltreatment has occurred solely because the child's parent, guardian, or other person responsible for the child's care in good faith selects and depends upon spiritual means or prayer for treatment or care of disease or remedial care of the child, in lieu of medical care. However, if lack of medical care may result in imminent and serious danger to the child's health, the local welfare agency may ensure that necessary medical services are provided to the child.

Sec. 6. Minnesota Statutes 1988, section 626.558, is amended to read:

## 626.558 [MULTIDISCIPLINARY CHILD PROTECTION TEAM.]

Subdivision 1. [ESTABLISHMENT OF THE TEAM.] A county may establish a multidisciplinary child protection team comprised of that may include, but not be limited to, the director of the local welfare agency or designees, the county attorney or designees, the county sheriff or designees, and representatives of health and education. In addition, representatives of mental health or other appropriate human service agencies, and parent groups may be added to the child protection team.

Subd. 2. [DUTIES OF TEAM.] A multidisciplinary child protection team may provide public and professional education, develop resources for prevention, intervention, and treatment, and provide case consultation to the local welfare agency to better enable the agency to carry out its child protection functions under section 626.556 and the community social services act. As used in this section, "case consultation" means a case review process in which recommendations are made concerning services to be provided to the identified children and family. Case consultation must may be performed by a committee or subcommittee of the team composed of the team members representing social human services, including mental health and chemical dependency; law enforcement, including probation and parole; the county attorney; health care; education; and other necessary agencies; and persons directly involved in an individual case as determined designated by the case consultation committee. Case consultation is a case review process that results in recommendations about services to be provided to the identified children and family other members performing case consultation.

Subd. 2a. [JUVENILE PROSTITUTION OUTREACH PROGRAM.] A multidisciplinary child protection team may assist the local welfare agency, local law enforcement agency, or an appropriate private organization in developing a program of outreach services for juveniles who are engaging in prostitution. For the purposes of this subdivision, at least one representative of a youth intervention program or, where this type of program is unavailable, one representative of a nonprofit agency serving youth in crisis, shall be appointed to and serve on the multidisciplinary child protection team in addition to the standing members of the team. These services may include counseling, medical care, short-term shelter, alternative living arrangements, and drop-in centers. The county may finance these services by means of the penalty assessment authorized by section 609.3241. A juvenile's receipt of intervention services under this subdivision may not be conditioned upon the juvenile providing any evidence or testimony.

Subd. 3. [INFORMATION SHARING.] The local welfare agency may make available to the case consultation committee of the team or subcommittee, all records collected and maintained by the agency

under section 626.556 and in connection with case consultation. Any member of the A case consultation committee or subcommittee member may share information acquired in the member's professional capacity with the committee or subcommittee to assist the committee in its function case consultation.

Case consultation committee or subcommittee members must annually sign a data sharing agreement, approved by the commissioner of human services, assuring compliance with chapter 13. Not public data, as defined by section 13.02, subdivision 8a, may be shared with members appointed to the committee or subcommittee in connection with an individual case when such members have signed the data sharing agreement.

All data acquired by the case consultation committee or subcommittee in exercising case consultation duties, is confidential as defined in section 13.02, subdivision 3, shall not be disclosed except to the extent necessary to perform case consultation, and shall not be subject to subpoena or discovery.

No members of a case consultation committee or subcommittee meeting shall disclose what transpired at a case consultation meeting, except to the extent necessary to carry out the case consultation plan. The proceedings and records of the case consultation meeting are not subject to discovery, and may not be introduced into evidence in any civil or criminal action against a professional or local welfare agency, arising out of the matter or matters which are the subject of consideration of the case consultation meeting. Information, documents, or records otherwise available from original sources are not immune from discovery or use in any civil or criminal action solely because they were presented during a case consultation meeting. Any person who presented information before the consultation committee or subcommittee or who is a member of it is not prevented from testifying as to matters within the person's knowledge. However, in a civil or criminal proceeding a person shall not be questioned about the person's presentation of information before the case consultation committee or subcommittee or about opinions formed as a result of the case consultation meetings.

A person who violates this subdivision is subject to the civil remedies and penalties provided under chapter 13.

**Sec. 7. [626.5593] [PEER REVIEW OF LOCAL AGENCY RESPONSE.]**

Subdivision 1. [ESTABLISHMENT.] By January 1, 1990, the commissioner of human services shall establish a pilot program for peer review of local agency responses to child maltreatment reports made under section 626.556. The peer review program shall examine agency assessments of maltreatment reports and delivery of

child protection services in at least two counties. The commissioner shall designate the local agencies to be reviewed, and shall appoint a peer review panel composed of child protection workers, as defined in section 626.559, and law enforcement personnel who are responsible for investigating reports of child maltreatment under section 626.556, subdivision 10, within the designated counties.

Subd. 2. [DUTIES.] The peer review panel shall meet at least quarterly to review case files representative of child maltreatment reports that were investigated or assessed by the local agency. These cases shall be selected randomly from local welfare agency files by the commissioner. Not public data, as defined in section 13.02, subdivision 8, may be shared with panel members in connection with a case review.

The panel shall review each case for compliance with relevant laws, rules, agency policies, appropriateness of agency actions, and case determinations. The panel shall issue a report to the designated agencies after each meeting which includes findings regarding the agency's compliance with relevant laws, rules, policies, case practice, and any recommendations to be considered by the agency. The panel shall also issue a semi-annual report concerning its activities. This semi-annual report shall be available to the public, but may not include any information that is classified as not public data.

Subd. 3. [REPORT TO LEGISLATURE.] By January 1, 1991, the commissioner shall report to the legislature regarding the activities of the peer review panel, compliance findings, barriers to the effective delivery of child protection services, and recommendations for the establishment of a permanent peer review system for child protection services.

Subd. 4. [FUNDS.] The commissioner may use funds allocated for child protection services, training, and grants to pay administrative expenses associated with the peer review panel pilot program created by this section.

#### Sec. 8. [REPORT ON UNIFORM GUIDELINES.]

The child mortality review panel, established by the commissioner of human services in section 2, shall review the development and use of the uniform investigative guidelines and protocols required under section 1 and submit a written report with the legislature on or before February 1, 1991, containing its findings and recommendations, if any."

Delete the title and insert:

"A bill for an act relating to human services; establishing state child mortality review panel; authorizing the state to require local

reviews; protecting data generated by the review panel as confidential and nondiscoverable; clarifying neglect or endangerment of a child; authorizing a pilot project for peer review of child protection cases; amending Minnesota Statutes 1988, sections 256.01, by adding a subdivision; 609.378; 626.556, subdivisions 2 and 10e; and 626.558; proposing coding for new law in Minnesota Statutes, chapters 145 and 626."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Health and Human Services.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 796, A bill for an act relating to state lands; authorizing sale of certain tax-forfeited lands that border public waters in Pine county.

Reported the same back with the following amendments:

Page 2, after line 36, insert:

"Sec. 2. [SALE OF TAX-FORFEITED LAND; FILLMORE COUNTY.]

(a) Notwithstanding the provisions of Minnesota Statutes, section 282.018, Fillmore county may sell the tax-forfeited land bordering public waters that is described in paragraph (c), under the remaining provisions of Minnesota Statutes, chapter 282.

(b) The conveyance must be in a form approved by the attorney general.

(c) The lands that may be conveyed are located in Fillmore county and are described as follows:

(1) Lot 6 and Lot 7 of Block 4 of the original town of Preston;

(2) Lot 3 and the easterly two feet of the north 60 feet of Lot 2 Block 1, Barbara Kaercher's addition; and

(3) That part of the Southeast Quarter of the Northwest Quarter of Section 6, Township 102N, Range 10W, lying south of Lot 3, Block 1, Barbara Kaercher's addition.

(d) These lots are not required for natural resources purposes and it will best serve the public if these lots are sold."

Page 3, line 1, delete "2" and insert "3"

Amend the title as follows:

Page 1, line 4, delete "county" and insert "and Fillmore counties"

With the recommendation that when so amended the bill pass.

The report was adopted.

Skoglund from the Committee on Insurance to which was referred:

H. F. No. 812, A bill for an act relating to insurance; life; allowing insurance policies to contain a rider providing for early payment of benefits to recipients of long-term care; amending Minnesota Statutes 1988, sections 60A.06, subdivisions 1 and 3; and 62A.46, subdivision 2.

Reported the same back with the following amendments:

Page 3, lines 10 and 11, delete the new language

Page 5, line 4, delete "solely if the" and insert a period

Page 5, delete lines 5 and 6

Page 5, delete section 3 and insert:

"Sec. 3. [61A.072] [POLICIES WITH ACCELERATED BENEFITS.]

Subdivision 1. [DISCLOSURE.] A life insurance contract or supplemental contract that contains a provision to permit the accelerated payment of benefits as authorized under section 60A.06, subdivision 1, clause (4), must contain the following disclosure: "This is a life insurance policy which pays accelerated death benefits at your option under conditions specified in the policy. This policy is not a long-term care policy meeting the requirements of section 62A.56."

Subd. 2. [ADVERTISEMENTS.] Any advertisement related to a contract or supplemental contract providing for the payment of accelerated benefits must be approved by the commissioner prior to its use. The commissioner shall not approve the advertisement if it is likely to lead a prospective purchaser to believe that it is a long-term care policy.

Subd. 3. [LONG-TERM CARE EXPENSES.] If the right to receive accelerated benefits is contingent upon the insured receiving long-

term care services, the contract or supplemental contract shall include the following provisions:

(1) the minimum accelerated benefit shall be \$1,200 per month if the insured is receiving nursing facility services and \$750 per month if the insured is receiving home care services with a minimum lifetime benefit limit of \$50,000;

(2) coverage is effective immediately and benefits shall commence with the receipt of services as defined in section 62A.46, subdivision 3, 4, or 5, but may include a waiting period of not more than 90 days, provided that no more than one waiting period may be required per benefit period as defined in section 62A.46, subdivision 11;

(3) premiums shall be waived during any period in which benefits are being paid to the insured during confinement to a nursing home facility;

(4) coverage may not be canceled or renewal refused except on the grounds of nonpayment of premium;

(5) coverage must include 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;

(6) the contract or supplemental contract shall contain the following disclosure:

“THE ACCELERATED LIFE INSURANCE BENEFITS PROVIDED UNDER THIS CONTRACT MAY NOT COVER ALL NURSING HOME, HOME CARE, OR ADULT DAY CARE EXPENSES. BENEFITS ARE NOT PAYABLE UPON RECEIPT OF RESIDENTIAL CARE. READ YOUR POLICY CAREFULLY TO DETERMINE YOUR BENEFIT AMOUNT.”;

(7) coverage must include mental or nervous disorders which have a demonstrable organic cause such as Alzheimer's and related dementias;

(8) no prior hospitalization requirement shall be allowed unless a similar requirement is allowed by section 62A.48, subdivision 1; and

(9) the contract shall include a cancellation provision that meets the requirements of section 62A.50, subdivision 2.”

Amend the title as follows:

Page 1, line 6, delete “and 62A.46, subdivision 2” and insert “proposing coding for new law in Minnesota Statutes, chapter 61A”

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. 843, A bill for an act relating to state lands; authorizing sale of certain tax-forfeited land that borders public water in Aitkin county.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 881, A bill for an act relating to workers' compensation; requiring a report on recodification and simplification of the workers' compensation law; appropriating money.

Reported the same back with the following amendments:

Page 1, line 9, delete "nationally recognized and"

Page 4, after line 3, insert:

"(e) The commissioner may use staff of the department of labor and industry or legislative staff to perform this project in whole or in part if the commissioner determines such use of staff is feasible and in the best interest of the project."

Page 4, after line 9, insert:

"The commissioner may spend some or all of the money appropriated under this section to support work on this project by staff of the department of labor and industry or by legislative staff."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 895, A bill for an act relating to state lands; authorizing the commissioner of transportation to convey certain surplus property to Stevens county for other than public purposes; authorizing the county to sell the property for other than public purposes through a negotiated sale.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [LAND TRANSFER.]

Notwithstanding Minnesota Statutes, sections 161.44, subdivision 1, and 373.01, subdivision 1, the commissioner of transportation may convey and quitclaim to Stevens county for other than public purposes, and Stevens county may sell for other than public purposes, by public sale for a price not less than its appraised value, the following described land, including improvements on the land:

That part of tracts A and B described below:

Tract A:

That part of Lot 18, Garden Lots Addition to Morris, according to the plat thereof on file and of record in the office of the county recorder in and for Stevens county, Minnesota, described as follows: Beginning at the most southerly corner of said lot; thence northeasterly along the easterly boundary of said lot 294.8 feet to a monument; thence northwesterly at right angles to last course for 170 feet; thence southwesterly at right angles to last course for 50 feet; thence northwesterly at right angles to last course for 200 feet to a point on the east boundary of South Street, 325.2 feet south of the most northerly corner of said Lot 18; thence southwesterly along the easterly boundary of said South Street for 135.8 feet; thence South 5 degrees 00 minutes 00 seconds East along the northeasterly boundary of Trunk Highway No. 9 for 216 feet; thence southeasterly along the easterly boundary of said Trunk Highway No. 9 to the point of beginning;

Tract B:

Lots 19 and 20, Garden Lots Addition to Morris, according to the plat thereof on file and of record in the office of the county recorder in and for Stevens county, Minnesota; excepting therefrom the northeasterly 275.2 feet thereof;

which lies northeasterly of a line run parallel with and distant 75 feet northeasterly of Line 1 described below:

Line 1:

Beginning at a point on the east and west quarter line of Section 2, Township 124 North, Range 42 West, distant 1345 feet westerly of the center section thereof; thence run northwesterly at an angle of 55 degrees 26 minutes 00 seconds from said east and west quarter line (measured from west to north) for 872.2 feet; thence deflect to the right on a 02 degree 30 minute 00 second curve (delta angle 10 degrees 31 minutes 00 seconds) for 420.7 feet; thence on tangent to said curve for 100 feet and there terminating;

containing 6.13 acres, more or less, including all improvements presently on the property.

The land and improvements to be sold are appropriate for private commercial development and are not needed by the county for any other purpose.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to state lands; authorizing the commissioner of transportation to convey certain surplus property to Stevens county for other than public purposes; authorizing the county to sell the property for other than public purposes through a public sale."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 994, A bill for an act relating to human services; requiring a pilot project for subsidies to certain persons with case management training; appropriating money; amending Minnesota Statutes 1988, section 252.32, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 18, after "services" insert "agreed upon by the team"

Page 1, line 19, delete "needed"

Page 1, line 21, after the period insert "The subsidy shall not be used to supplant existing funding sources."

Page 1, line 23, delete "monthly" and insert "yearly"

Page 1, line 24, delete "\$250" and insert "\$3,000" and delete "family" and insert "eligible person"

Page 2, after line 4, insert:

"(e) In establishing the pilot project the commissioner shall review the results of the consumer case management project funded by the state planning agency between 1986 and 1989.

(f) The commissioner shall report to the legislature by February 1, 1991, on the effectiveness of the project in terms of cost and in meeting the goals of the individual service plan."

Page 2, line 5, delete "(e)" and insert "(g)"

Page 2, after line 7, insert:

"(h) At least one of the counties participating in the pilot project shall be from rural Minnesota, so long as that county agrees to comply with the requirements of this section."

Page 2, line 11, after the period insert "Funds under this section shall be distributed beginning October 1, 1989."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 1046, A bill for an act relating to motor vehicles; setting fee for inspection of certain motor vehicles for which salvage certificate of title has been issued; amending Minnesota Statutes 1988, section 168A.152.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Otis from the Committee on Economic Development to which was referred:

H. F. No. 1072, A bill for an act relating to economic development; establishing the community and neighborhood development organization program; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 116J.

Reported the same back with the following amendments:

Page 5, line 9, delete "may" and insert "shall"

Page 5, line 10, delete "as necessary"

Page 5, after line 17, insert:

"Sec. 4. [116J.985] [COUSIN COMMUNITY PROGRAM.]

The commissioner may develop and administer a cousin community program to facilitate the transfer of information relating to successful local community development programs. The purpose of the program is to assist communities planning community development programs by sharing and demonstrating the experience of communities that have already undertaken successful programs in the areas of economic development, housing, recreation, and public facilities. The commissioner must:

(1) identify communities of various sizes and from various regions of the state that have undertaken successful community development programs and those communities that are planning for or are in need of local community development programs;

(2) organize regional meetings to encourage dialogue between the two types of communities described in clause (1);

(3) assist communities in establishing ongoing relationships to share their experiences and successful programs;

(4) establish an ongoing evaluation mechanism to measure the success of this program; and

(5) market the program statewide to cities, towns, counties, neighborhood groups, and other entities."

Page 5, line 18, after "APPROPRIATION" insert "COMMUNITY AND NEIGHBORHOOD DEVELOPMENT ORGANIZATION PROGRAM"

Page 5, after line 29, insert:

"Sec. 6. [APPROPRIATION.]

\$ . . . . . is appropriated from the general fund for the biennium ending June 30, 1991, to the commissioner of trade and economic development for the cousin community program under section 4."

Re-number the sections in sequence

Correct internal cross references

Amend the title as follows:

Page 1, line 4, after the first semicolon insert "establishing the cousin community program;"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 1085, A bill for an act relating to human services; exempting certain nursing homes from other operating cost limits; amending Minnesota Statutes 1988, section 256B.431, subdivision 2b.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 1146, A bill for an act relating to traffic regulations; dedicating seat belt violation fines to emergency medical services relief account; amending Minnesota Statutes 1988, section 169.686, subdivision 3.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1149, A bill for an act relating to state lands; providing for exceptions to usual conveyance procedures; amending Minnesota Statutes 1988, sections 94.10, by adding a subdivision; and 282.01, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 92; 94; and 282.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 94.10, is amended by adding a subdivision to read:

Subd. 1a. [CONVEYANCE WITHOUT CONSIDERATION TO LOCAL GOVERNMENT.] Notwithstanding subdivision 1, the commissioner may convey surplus state land or an interest in the land to a political subdivision in which the lands are situated for less than the estimated or appraised value under the following conditions:

(a) The executive council must approve the conveyance.

(b) The conveyance must be conditioned upon use of the land for a public purpose stated in an application to the commissioner. If the governing body of the political subdivision seeks to make another public use of the land, the commissioner may approve the other use without the governing body conveying the lands back to the state and securing a new conveyance from the state.

(c) The conveyance may not permit the political subdivision to reconvey the land or an interest in it without approval of the commissioner of administration.

(d) The conveyance must provide that if the political subdivision does not use the land in the manner approved by the commissioner, the subdivision must convey the portion of the land not used in an approved manner back to the state. The state may agree that if the land is conveyed back to the state, the state will pay the political subdivision for the value of improvements the subdivision made to the land.

Sec. 2. [94.105] [EXCEPTIONS TO USUAL CONVEYANCE PROCEDURES.]

The commissioner of administration or the commissioner of natural resources may convey surplus state land other than school or other trust land without complying with section 94.10 if:

(1) the conveyance is to the owner of land adjacent to the surplus state land and the executive council determines that the owner of the adjacent land built improvements on the state land without intent to occupy the state land; or

(2) the executive council determines that the only purpose of the conveyance is to correct an error in a legal description or other boundary or survey problem affecting the ownership interest of the state or the adjacent landowner.

The price for a conveyance under this section must be at least the value of the land, excluding the improvements built by the proposed purchaser, as determined by the commissioner or the appraisers if appraisal is required.

Sec. 3. Minnesota Statutes 1988, section 282.01, is amended by adding a subdivision to read:

Subd. 7b. [EXCEPTIONS TO USUAL CONVEYANCE PROCEDURES.] A county board may convey tax-forfeited land without complying with the public sale requirements of subdivision 4, 7, or 7a if:

(1) the conveyance is to the owner of land adjacent to the tax-forfeited land and the county board determines that the owner of the adjacent land built improvements on the tax-forfeited land without intent to occupy the tax-forfeited land; or

(2) the county board determines that the only purpose of the conveyance is to correct an error in a legal description or other boundary or survey problem affecting the ownership interest of the county, state, or adjacent landowner.

The price for a conveyance under this section must be at least the appraised value of the property, excluding the improvements built by the proposed purchaser. The county board must notify the commissioner of natural resources at least 30 days before taking action on a conveyance proposed under this section and the commissioner may make a recommendation to the board."

Delete the title and insert:

"A bill for an act relating to state lands; providing for exceptions

to usual conveyance procedures; amending Minnesota Statutes 1988, sections 94.10, by adding a subdivision; and 282.01, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 94."

With the recommendation that when so amended the bill pass.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 1160, A bill for an act relating to education; authorizing school district participation in certain energy efficiency projects; proposing coding for new law in Minnesota Statutes, chapter 124.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Skoglund from the Committee on Insurance to which was referred:

H. F. No. 1225, A bill for an act relating to insurance; regulating cancellations of insurance agency contracts; amending Minnesota Statutes 1988, section 60A.172.

Reported the same back with the following amendments:

Page 1, line 23, delete "50" and insert "80"

Page 1, after line 25, insert:

"Sec. 2. Minnesota Statutes 1988, section 72A.20, is amended by adding a subdivision to read:

Subd. 20. [CONTACT WITH DEPARTMENT.] An insurance company may not terminate or otherwise penalize an insurance agent solely because the agent contacted any government branch or agency regarding a problem that the agent or an insured may be having with an insurance company.

Sec. 3. [EFFECTIVE DATE.]

Section 2 is effective the day following final enactment."

Amend the title as follows:

Page 1, line 2, delete "of"

Page 1, line 3; delete everything before the semicolon and insert "and terminations of agents"

Page 1, line 4, delete everything after the comma and insert "sections 60A.172; and 72A.20, by adding a subdivision."

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 1287, A bill for an act relating to commerce; securities; exempting nonissuer sales of securities issued by the state, its subdivisions, or instrumentalities from regulation; amending Minnesota Statutes 1988, section 80A.15, subdivision 2.

Reported the same back with the following amendments:

Page 5, after line 23, insert:

"Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 1290, A bill for an act relating to commerce; providing for the regulation of real estate closing agents; prescribing penalties; appropriating money; amending Minnesota Statutes 1988, sections 82.17, subdivisions 7, 9, and 10; 82.18; 82.19, subdivisions 1, 2, 3, and 4; 82.20, subdivisions 1, 2, 3, 4, 5, 8, and 12; 82.21, subdivision 1; 82.22, subdivisions 1, 5, 6, 10, and 11; 82.23, subdivisions 2 and 3; 82.24, subdivisions 1, 2, 3, 4, 5, 6, and 7; 82.27, subdivisions 1 and 2; 82.30, subdivision 1; 82.31, subdivision 1; 82.33, subdivision 1; 82.34, subdivisions 3, 4, 6, 7, 13, and 14; and 609.52, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes 1988, section 82.34, subdivision 12.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 82.17, subdivision 7, is amended to read:

Subd. 7. "Trust funds" means funds received by a broker ~~or~~, salesperson, or closing agent in a fiduciary capacity as a part of a real estate or business opportunity transaction, pending the consummation or termination of a transaction, and includes all down payments, earnest money deposits, rents for clients, tax and insurance escrow payments, damage deposits, and any funds received on behalf of any person.

Sec. 2. Minnesota Statutes 1988, section 82.17, subdivision 9, is amended to read:

Subd. 9. "Public member" means a person who is not, or never was, a real estate broker ~~or~~, real estate salesperson, or a closing agent or the spouse of such person, or a person who has no, or never has had a material financial interest in acting as a real estate broker ~~or~~, real estate salesperson, or a closing agent or a directly related activity.

Sec. 3. Minnesota Statutes 1988, section 82.17, subdivision 10, is amended to read:

Subd. 10. "Closing agent" or "real estate closing agent" means any person whether or not acting as an agent for a title company, a licensed attorney, real estate broker, or real estate salesperson, who for another and with or without a commission, fee, or other valuable consideration or with or without the intention or expectation of receiving a commission, fee, or other valuable consideration, directly or indirectly provides closing services incident to the sale, trade, lease, or loan of residential real estate, including drawing or assisting in drawing papers incident to the sale, trade, lease, or loan, or advertises or claims to be engaged in these activities.

Sec. 4. Minnesota Statutes 1988, section 82.18, is amended to read:

#### 82.18 [EXCEPTIONS.]

Unless a person is licensed or otherwise required to be licensed under this chapter, the term real estate broker does not include:

(a) a licensed practicing attorney acting solely as an incident to the practice of law if the attorney complies in all respects with the trust account provisions of this chapter;

(b) a receiver, trustee, administrator, guardian, executor, or other

person appointed by or acting under the judgment or order of any court;

(c) any person owning and operating a cemetery and selling lots therein solely for use as burial plots;

(d) any custodian, janitor, or employee of the owner or manager of a residential building who leases residential units in the building;

(e) any bank, trust company, savings and loan association, industrial loan and thrift company, regulated lender under chapter 56, public utility, or land mortgage or farm loan association organized under the laws of this state or the United States, when engaged in the transaction of business within the scope of its corporate powers as provided by law;

(f) public officers while performing their official duties;

(g) employees of persons enumerated in clauses (b), (e) and (f), when engaged in the specific performance of their duties;

(h) any person who acts as an auctioneer bonded in conformity with section 330.02, when that person is engaged in the specific performance of duties as an auctioneer, and when that person has been employed to auction real estate by a person licensed under this chapter or when the auctioneer has engaged a licensed attorney to supervise the real estate transaction;

(i) any person who acquires real estate for the purpose of engaging in and does engage in, or who is engaged in the business of constructing residential, commercial or industrial buildings for the purpose of resale if no more than 25 such transactions occur in any 12-month period and the person complies with section 82.24;

(j) any person who offers to sell or sells an interest or estate in real estate which is a security registered pursuant to chapter 80A, when acting solely as an incident to the sale of these securities;

(k) any person who offers to sell or sells a business opportunity which is a franchise registered pursuant to chapter 80C, when acting solely to sell the franchise;

(l) any person who contracts with or solicits on behalf of a provider a contract with a resident or prospective resident to provide continuing care in a facility, pursuant to the Continuing Care Facility Disclosure and Rehabilitation Act (chapter 80D), when acting solely as incident to the contract;

(m) any broker-dealer or agent of a broker-dealer when participating in a transaction in which all or part of a business opportunity

or business, including any interest therein, is conveyed or acquired pursuant to an asset purchase, merger, exchange of securities or other business combination, if the agent or broker-dealer is licensed pursuant to chapter 80A;

(n) an accountant acting incident to the practice of the accounting profession if the accountant complies in all respects with the trust account provisions of this chapter.

Sec. 5. Minnesota Statutes 1988, section 82.19, subdivision 1, is amended to read:

Subdivision 1. No person shall act as a real estate broker or salesperson, or real estate closing agent unless licensed as herein provided.

Sec. 6. Minnesota Statutes 1988, section 82.19, subdivision 2, is amended to read:

Subd. 2. No persons shall advertise or represent themselves to be real estate brokers or salespeople, or closing agents unless licensed as herein provided.

Sec. 7. Minnesota Statutes 1988, section 82.19, subdivision 3, is amended to read:

Subd. 3. No real estate broker or salesperson, or closing agents shall offer, pay or give, and no person shall accept, any compensation or other thing of value from any real estate broker or salesperson, or closing agents by way of commission-splitting, rebate, finder's fees or otherwise, in connection with any real estate or business opportunity transaction; provided this subdivision does not apply to transactions (1) between a licensed real estate broker or salesperson and the person by whom the broker or salesperson is engaged to purchase or sell real estate or business opportunity, (2) among persons licensed as provided herein, (3) between a licensed real estate broker or salesperson and persons from other jurisdictions similarly licensed in that jurisdiction, and (4) involving timeshare or other recreational lands where the amount offered or paid does not exceed \$150, and payment is not conditioned upon any sale but is made merely for providing the referral and the person paying the fee is bound by any representations the person receiving the fee makes. A licensed real estate broker or salesperson may assign or direct that commissions or other compensation earned in connection with any real estate or business opportunity transaction be paid to a corporation of which the licensed real estate broker or salesperson is the sole owner.

Sec. 8. Minnesota Statutes 1988, section 82.19, subdivision 4, is amended to read:

Subd. 4. No real estate broker or salesperson, or closing agent shall engage or authorize any person, except one licensed as provided herein, to act as a real estate broker or salesperson, or closing agent on the engager's or authorizer's behalf.

Sec. 9. Minnesota Statutes 1988, section 82.20, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] (a) The commissioner shall issue a license as a real estate broker or real estate salesperson, or closing agent to any person who qualifies for such license under the terms of this chapter;

(b) The commissioner is authorized to establish by rule a special license for real estate brokers and real estate salespeople engaged solely in the rental or management of an interest or estate in real estate, to prescribe qualifications for the license, and to issue the license consistent with the terms of this chapter. This clause shall not be construed to require those owners or managers or their agents or employees who are excluded by section 82.18, clause (d) from the definition of real estate broker, to obtain the special license.

Sec. 10. Minnesota Statutes 1988, section 82.20, subdivision 2, is amended to read:

Subd. 2. [QUALIFICATION OF APPLICANTS.] Every applicant for a real estate broker or real estate salesperson, or real estate closing agent license shall be at least 18 years of age at the time of making application for said license.

Sec. 11. Minnesota Statutes 1988, section 82.20, subdivision 3, is amended to read:

Subd. 3. [APPLICATION FOR LICENSE; CONTENTS.] (a) Every applicant for a license as a real estate broker or real estate salesperson, or closing agent shall make an application in writing upon forms prepared and furnished by the commissioner. Each application shall be signed and sworn to by the applicant and shall be accompanied by the license fee required by this chapter;

(b) Each application for a real estate broker license and real estate salesperson license, or real estate closing agent license shall contain such information as required by the commissioner consistent with the administration of the provisions and purposes of this chapter;

(c) Each application for a real estate salesperson license shall give the applicant's name, age, residence address and the name and place of business of the real estate broker on whose behalf said the salesperson is to be acting;

(d) Each application for a real estate closing agent license shall give the applicant's name, age, residence address, and the name and place of business of the closing agent;

(e) The commissioner may require such further information as the commissioner deems appropriate to administer the provisions and further the purposes of this chapter.

Sec. 12. Minnesota Statutes 1988, section 82.20, subdivision 5, is amended to read:

Subd. 5. [RESPONSIBILITY.] Each broker shall be responsible for the acts of any and all of the broker's sales people and closing agents while acting as agents on the broker's behalf. Each officer of a corporation or partner in a partnership licensed as a broker shall have the same responsibility under this chapter as a corporate or partnership broker with regard to the acts of the salespeople and closing agents acting on behalf of the corporation or partnership.

Sec. 13. Minnesota Statutes 1988, section 82.20, subdivision 8, is amended to read:

Subd. 8. [RENEWALS.] (a) Persons whose applications have been properly and timely filed who have not received notice of denial of renewal are deemed to have been approved for renewal and may continue to transact business either as a real estate broker or salesperson, or closing agent whether or not the renewed license has been received on or before July 1. Application for renewal of a license shall be deemed to have been timely filed if received by the commissioner by, or mailed with proper postage and postmarked by, June 15 in each year. Applications for renewal shall be deemed properly filed if made upon forms duly executed and sworn to, accompanied by fees prescribed by this chapter and contain any information which the commissioner may require.

(b) Persons who have failed to make a timely application for renewal of a license and who have not received the renewal license as of July 1, shall be unlicensed until such time as the license has been issued by the commissioner and is received.

Sec. 14. Minnesota Statutes 1988, section 82.20, subdivision 12, is amended to read:

Subd. 12. [NONRESIDENTS.] A nonresident of Minnesota may be licensed as a real estate broker or, real estate salesperson, or a real estate closing agent upon compliance with all provisions of this chapter.

Sec. 15. Minnesota Statutes 1988, section 82.20, is amended by adding a subdivision to read:

Subd. 15. [EXEMPTION.] The following closing agents are exempt from the requirements of sections 82.19 and 82.24 unless otherwise required in this section or chapter:

(1) a direct employee of a title company, or a person who has an exclusive agency agreement with a title company in which the agent agrees to perform closing services on the title company's behalf and the title company assumes responsibility for the actions of the agent as if the agent were a direct employee of the title company;

(2) a licensed attorney;

(3) a licensed real estate broker or salesperson;

(4) a direct employee of a licensed real estate broker if the broker maintains all funds received in connection with the closing services in the broker's trust account; and

(5) any bank, trust company, savings and loan association, industrial loan and thrift company, regulated lender under chapter 56, public utility, or land mortgage or farm loan association organized under the laws of this state or the United States, when engaged in the transaction of businesses within the scope of its corporate powers as provided by law.

Sec. 16. Minnesota Statutes 1988, section 82.21, subdivision 1, is amended to read:

Subdivision 1. [AMOUNTS.] The following fees shall be paid to the commissioner:

(a) A fee of \$50 for each initial individual broker's license, and a fee of \$25 for each annual renewal thereof;

(b) A fee of \$25 for each initial salesperson's license, and a fee of \$10 for each annual renewal thereof;

(c) A fee of \$25 for each initial real estate closing agent license, and a fee of \$10 for each annual renewal;

(d) A fee of \$50 for each initial corporate or partnership license, and a fee of \$25 for each annual renewal thereof;

~~(d)~~ (e) A fee not to exceed \$40 per year for payment to the education, research and recovery fund in accordance with section 82.34;

(e) ~~(f)~~ A fee of \$10 for each transfer;

~~(f)~~ (g) A fee of \$25 for a corporation or partnership name change;

- (g) (h) A fee of \$5 for an agent name change;
- (h) (i) A fee of \$10 for a license history;
- (i) (j) A fee of \$5 for a duplicate license; and
- (j) (k) A fee of \$5 for each hour or fraction of one hour of course approval sought.

Sec. 17. Minnesota Statutes 1988, section 82.22, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] Each applicant for a license must pass an examination conducted by the commissioner. The examinations shall be of sufficient scope to establish the competency of the applicant to act as a real estate broker or, as a real estate salesperson, or as a real estate closing agent.

Sec. 18. Minnesota Statutes 1988, section 82.22, subdivision 5, is amended to read:

Subd. 5. [PERIOD FOR APPLICATION.] An applicant who obtains an acceptable score on a salesperson's or closing agent's examination must file an application and obtain the license within one year of the date of successful completion of the examination or a second examination must be taken to qualify for the license. If a new examination is required, prelicense education must be completed in accordance with subdivision 6.

Sec. 19. Minnesota Statutes 1988, section 82.22, subdivision 6, is amended to read:

Subd. 6. [INSTRUCTION; NEW LICENSES.] (a) After January 1, 1987, every applicant for a salesperson's license shall be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner before taking the examination specified in subdivision 1. After January 1, 1987, every applicant for a salesperson's license shall be required to successfully complete an additional course of study in the real estate field consisting of 60 hours of instruction approved by the commissioner before filing an application for the license. Every salesperson licensed after January 1, 1987, shall, within one year of licensure, be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner.

(b) After December 31, 1983, and before January 1, 1987, every applicant for a salesperson's license shall be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner before taking the

examination specified in subdivision 1. After December 31, 1983, and before January 1, 1987, every applicant for a salesperson's license shall be required to successfully complete an additional course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner before filing an application for the license. Every salesperson licensed after December 31, 1983, and before January 1, 1987, shall, within one year of the date a license was first issued, be required to successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner.

(c) The commissioner may approve courses of study in the real estate field offered in educational institutions of higher learning in this state or courses of study in the real estate field developed by and offered under the auspices of the national association of realtors, its affiliates, or private real estate schools. The commissioner shall not approve any course offered by, sponsored by, or affiliated with any person or company licensed to engage in the real estate business. The commissioner may by rule prescribe the curriculum and qualification of those employed as instructors.

(d) After January 1, 1988, an applicant for a broker's license must successfully complete a course of study in the real estate field consisting of 30 hours of instruction approved by the commissioner. The course must have been completed within six months prior to the date of application for the broker's license.

(e) After the effective date of this section, an applicant for a real estate closing agent's license must successfully complete a course of study relating to closing services consisting of eight hours of instruction approved by the commissioner.

Sec. 20. Minnesota Statutes 1988, section 82.22, subdivision 10, is amended to read:

Subd. 10. [RENEWAL; EXAMINATION.] Except as provided in subdivisions 3 and 7, no examination shall be required for the renewal of any license, provided, however, any licensee having been licensed as a broker or salesperson, or closing agent in the state of Minnesota and who shall fail to renew the license for a period of two years shall be required by the commissioner to again take an examination.

Sec. 21. Minnesota Statutes 1988, section 82.22, subdivision 11, is amended to read:

Subd. 11. [EXAMINATION ELIGIBILITY; REVOCATION.] No applicant shall be eligible to take any examination if a license as a real estate broker or salesperson, or closing agent has been revoked in this or any other state within two years of the date of the application.

Sec. 22. Minnesota Statutes 1988, section 82.23, subdivision 2, is amended to read:

Subd. 2. [DELIVERY.] Each real estate broker or, real estate salesperson, or closing agent shall furnish parties to a transaction a true and accurate copy of any document pertaining to their interests as the commissioner through appropriate rules may require.

Sec. 23. Minnesota Statutes 1988, section 82.23, subdivision 3, is amended to read:

Subd. 3. [EXAMINATION OF RECORDS.] The commissioner may make examinations within or without this state of each broker's or closing agent's records at such reasonable time and in such scope as is necessary to enforce the provisions of this chapter.

Sec. 24. Minnesota Statutes 1988, section 82.24, subdivision 1, is amended to read:

Subdivision 1. [GENERALLY.] All trust funds received by a broker or the broker's salespeople or closing agents shall be deposited forthwith upon receipt in a trust account, maintained by the broker for such purpose in a bank, savings and loan association, credit union, or an industrial loan and thrift company with deposit liabilities designated by the broker or closing agent, except as such money may be paid to one of the parties pursuant to express written agreement between the parties to a transaction. The depository bank shall be a Minnesota bank or trust company or any foreign bank and shall authorize the commissioner to examine its records of such deposits upon demand by the commissioner. The industrial loan and thrift company shall be organized under chapter 53. The savings and loan association or credit union shall be organized under the laws of any state or the United States.

Sec. 25. Minnesota Statutes 1988, section 82.24, subdivision 2, is amended to read:

Subd. 2. [LICENSEE ACTING AS PRINCIPAL.] A real estate licensee acting in the capacity of principal in a real estate transaction where the seller retains any liability, contingent or otherwise, for the payment of an obligation on the property shall deposit in a Minnesota bank or trust company, any foreign bank which authorizes the commissioner to examine its records of the deposits, a savings and loan association, credit union, or an industrial loan and thrift company organized under chapter 53 with deposit liabilities, in a trust account, those parts of all payments received on contracts that are necessary to meet any amounts concurrently due and payable on any existing mortgages, contracts for deed or other conveyancing instruments, and reserve for taxes and insurance or any other encumbrance on the receipts. The deposits must be maintained until disbursement is made under the terms of the

encumbrance and proper accounting on the property made to the parties entitled to an accounting. The provisions of this subdivision relating to rental of interests in real estate apply only to single-family residential property.

Sec. 26. Minnesota Statutes 1988, section 82.24, subdivision 3, is amended to read:

Subd. 3. [NONDEPOSITABLE ITEMS.] Any instrument or equity or thing of value received by a broker ~~or~~, salesperson, or closing agent in lieu of cash as earnest money or down payment in a real estate transaction shall be held by an authorized escrow agent, whose authority is evidenced by a written agreement executed by the offeror and the escrow agent.

Sec. 27. Minnesota Statutes 1988, section 82.24, subdivision 4, is amended to read:

Subd. 4. [COMMINGLING FUNDS.] A broker ~~or~~, salesperson, or closing agent shall deposit only trust funds in a trust account and shall not commingle personal funds or other funds in a trust account, except that a broker ~~or~~, salesperson, or closing agent may deposit and maintain a sum ~~not to exceed \$500~~ in a trust account from personal funds, which sum shall be specifically identified and used to pay service charges or satisfy the minimum balance requirements relating to the trust account.

Sec. 28. Minnesota Statutes 1988, section 82.24, subdivision 5, is amended to read:

Subd. 5. [TRUST ACCOUNT RECORDS.] Each broker or closing agent shall maintain and retain records of all trust funds and trust accounts. The commissioner may prescribe information to be included in the records by appropriate rules.

Sec. 29. Minnesota Statutes 1988, section 82.24, subdivision 6, is amended to read:

Subd. 6. [NOTICE OF TRUST ACCOUNT STATUS.] The names of the banks, savings and loan associations, credit unions, and industrial loan and thrift companies and the trust account numbers used by a broker or closing agent shall be provided to the commissioner at the time of application for the broker's or closing agent's license. The broker shall immediately report to the commissioner any change of trust account status including changes in banks, savings and loan associations, credit unions, and industrial loan and thrift companies, account numbers, or additional accounts in the same or other banks, savings and loan associations, credit unions, and industrial loan and thrift companies. A broker or closing agent shall not close

an existing trust account without giving ten days written notice to the commissioner.

Sec. 30. Minnesota Statutes 1988, section 82.27, subdivision 1, is amended to read:

Subdivision 1. The commissioner may by order deny, suspend or revoke any license or may censure a licensee if the commissioner finds (1) that the order is in the public interest, and (2) that the applicant or licensee or, in the case of a broker, any officer, director, partner, employee or agent or any person occupying a similar status or performing similar functions, or any person directly or indirectly controlling the broker or closing agent or controlled by the broker or closing agent:

(a) has filed an application for a license which is incomplete in any material respect or contains any statement which, in light of the circumstances under which it is made, is false or misleading with respect to any material fact;

(b) has engaged in a fraudulent, deceptive or dishonest practice;

(c) is permanently or temporarily enjoined by any court of competent jurisdiction from engaging in or continuing any conduct or practice involving any aspect of the real estate business;

(d) has failed to reasonably supervise brokers or salesperson, salespersons, or closing agents so as to cause injury or harm to the public;

(e) has violated or failed to comply with any provision of this chapter or any rule or order under this chapter; or

(f) has, in the conduct of the licensee's affairs under the license, been shown to be incompetent, untrustworthy, or financially irresponsible.

Sec. 31. Minnesota Statutes 1988, section 82.27, subdivision 2, is amended to read:

Subd. 2. The commissioner may promulgate rules further specifying and defining those actions and omissions which constitute fraudulent, deceptive or dishonest practices, and establishing standards of conduct for real estate brokers and, salespeople, or closing agents.

Sec. 32. Minnesota Statutes 1988, section 82.30, subdivision 1, is amended to read:

Subdivision 1. The commissioner of commerce shall appoint a real estate advisory task force. The task force shall include real estate brokers licensees with at least five years experience as licensed real estate brokers in Minnesota and public members. The task force may advise the commissioner on all matters relating to education of licensees, prelicensing requirements, and other policy matters relating to the administration of sections 82.17 to 82.34. The task force shall expire and the terms, compensation, and removal of members shall be as provided in section 15.059. No member of the real estate advisory task force may establish, own, operate, invest in a course designed to fulfill any requirement of Minnesota law pertaining to licenses for real estate salespersons or, brokers, or closing agents.

Sec. 33. Minnesota Statutes 1988, section 82.31, subdivision 1, is amended to read:

Subdivision 1. Every nonresident, before being licensed as a real estate broker or, real estate salesperson, or real estate closing agent shall appoint the commissioner and a successor or successors in office as true and lawful attorney, upon whom may be served all legal process in any action or proceedings against such person, or in which such person may be a party, in relation to or involving any transaction covered by this chapter or any rule or order hereunder, which appointment shall be irrevocable. Service upon such attorney shall be as valid and binding as if due and personal service had been made upon such person. Any such appointment shall be effective upon the issuance of the license in connection with which the appointment was filed.

Sec. 34. Minnesota Statutes 1988, section 82.33, subdivision 1, is amended to read:

Subdivision 1. No person shall bring or maintain any action in the courts of this state for the collection of compensation for the performance of any of the acts for which a license is required under this chapter without alleging and proving that the person was a duly licensed real estate broker or, salesperson, or closing agent at the time the alleged cause of action arose.

Sec. 35. Minnesota Statutes 1988, section 82.34, subdivision 3, is amended to read:

Subd. 3. Each real estate broker and, real estate salesperson, and real estate closing agent entitled under this chapter to renew a license, when renewing for the first time after July 1, 1973, shall pay in addition to the appropriate renewal fee a further fee of \$20 \$5 which shall be credited to the real estate education, research and recovery fund. Any person who receives a new real estate broker's or real estate salesperson's license after July 1, 1973 shall pay said the fee of \$20 \$40 in addition to all other fees payable, provided that in no case shall any real estate broker or real estate salesperson be

required under this subdivision to pay said fee of \$20 more than once. The one time fee shall increase to \$40 for any person who receives a new real estate broker's or real estate salesperson's license after July 1, 1980. In addition each real estate broker or real estate salesperson when renewing a license after July 1, 1980, shall each time pay a fee of \$5 to be credited to the real estate education, research and recovery fund.

Sec. 36. Minnesota Statutes 1988, section 82.34, subdivision 4, is amended to read:

Subd. 4. If at the end of any fiscal year prior to calendar year 1981 following the establishment of the real estate education, research and recovery fund, the amount remaining in the fund is less than \$200,000, every licensed real estate broker and real estate salesperson, when renewing a license, shall pay in addition to the annual renewal fee, a sum not to exceed \$20 said sum having been determined by the commissioner to be sufficient to restore the balance in the fund to at least \$200,000.

Commencing with calendar year 1981, not to exceed No less than \$400,000 of the fund shall be available for recovery purposes to satisfy all claims authorized for payment each calendar year. This shall be designated as the recovery portion of the fund. ~~Commencing in calendar year 1981,~~ If the amount remaining in the fund after payment of all amounts authorized during the preceding calendar year for payment to claimants is less than \$400,000 plus the amount appropriated pursuant to subdivision 6, every licensed real estate broker and real estate salesperson licensee, when renewing a license, shall pay, in addition to the annual renewal fee and the \$5 fee set forth in subdivision 3, a sum not to exceed ~~\$35~~ \$50, said sum having been reasonably determined by the commissioner to be necessary to restore the balance in the fund.

Sec. 37. Minnesota Statutes 1988, section 82.34, subdivision 6, is amended to read:

Subd. 6. The commissioner may expend money as appropriated for the following purposes:

(a) To promote the advancement of education and research in the field of real estate for the benefit of those licensed under this chapter;

(b) To underwrite educational seminars and other forms of educational projects for the benefit of real estate licensees;

(c) To establish a real estate chair or courses at Minnesota state institutions of higher learning for the purpose of making such courses available to licensees and the general public;

(d) To contract for a particular educational or research project in the field of real estate to further the purposes of this chapter;

(e) To pay the costs of the real estate advisory council established under section 82.30;

(f) To pay any reasonable costs and disbursements, excluding attorney's fees, incurred in defending actions against the real estate education, research and recovery fund including the cost of mailing or publication of notice pursuant to subdivisions 12 and subdivision 14; and

(g) To provide information to the public on housing issues, including but not limited to, environmental safety and housing affordability.

Sec. 38. Minnesota Statutes 1988, section 82.34, subdivision 7, is amended to read:

Subd. 7. When any aggrieved person obtains a final judgment in any court of competent jurisdiction against an individual licensed under this chapter, on grounds of fraudulent, deceptive or dishonest practices, or conversion of trust funds arising directly out of any transaction when the judgment debtor was licensed and performed acts for which a license is required under this chapter, or performed acts permitted by section 327B.04, subdivision 5, and which cause of action occurred on or after July 1, 1973, the aggrieved person may, upon the judgment becoming final, and upon termination of all proceedings, including reviews and appeals, file a verified application in the court in which the judgment was entered for an order directing payment out of the recovery portion of the fund of the amount of actual and direct out of pocket loss in the transaction, but excluding any attorney's fees, interest on the loss and on any judgment obtained as a result of the loss, up to the sum of ~~\$20,000~~ \$150,000 of the amount unpaid upon the judgment, provided that nothing in this chapter shall be construed to obligate the fund for more than ~~\$20,000~~ \$150,000 per party per transaction, subject to the limitations set forth in subdivisions 12 and subdivision 14, regardless of the number of persons aggrieved or parcels of real estate involved in the transaction. A copy of the verified application shall be served upon the commissioner and upon the judgment debtor, and a certificate or affidavit of service filed with the court. For the purpose of this section "aggrieved person" shall not include a real estate licensee unless (1) the licensee is acting in the capacity of principal in the sale of interests in real property owned by the licensee; or (2) the licensee is acting in the capacity of principal in the purchase of interests in real property to be owned by the licensee. Under no circumstances shall a real estate licensee be entitled to payment under this section for the loss of a commission or similar fee.

Sec. 39. Minnesota Statutes 1988, section 82.34, subdivision 13, is amended to read:

Subd. 13. Should the commissioner pay from the recovery portion of the fund any amount in settlement of a claim or toward satisfaction of a judgment against a ~~licensed broker or salesperson~~ licensee, the license of the ~~broker or salesperson~~ shall be automatically suspended upon the effective date of an order by the court as set forth herein authorizing payment from the recovery portion of the fund. No ~~such broker or, salesperson, or closing agent~~ shall be granted reinstatement until the person has repaid in full, plus interest at the rate of 12 percent a year, twice the amount paid from the recovery portion of the fund on the person's account, and has obtained a surety bond issued by an insurer authorized to transact business in this state in the amount of \$40,000. The bond shall be filed with the commissioner, with the state of Minnesota as obligee, conditioned for the prompt payment to any aggrieved person entitled thereto, of any amounts received by the real estate broker ~~or, salesperson, or closing agent~~ or to protect any aggrieved person from loss resulting from fraudulent, deceptive or dishonest practices or conversion of trust funds arising out of any transaction when the real estate broker or salesperson was licensed and performed acts for which a license is required under this chapter. The bond shall remain operative for as long as that real estate broker ~~or, salesperson, or closing agent~~ is licensed. No payment shall be made from the recovery portion of the fund based upon claims against any broker ~~or, salesperson, or closing agent~~ who is granted reinstatement pursuant to this subdivision. A discharge in bankruptcy shall not relieve a person from the penalties and disabilities provided in this section.

Sec. 40. Minnesota Statutes 1988, section 82.34, subdivision 14, is amended to read:

Subd. 14. The commissioner shall satisfy all claims against licensees for which an order pursuant to subdivision 11 directing payment from the recovery portion of the fund has become final during the calendar year. Each claim shall be satisfied by the commissioner in not less than 30 and not more than 90 days following the end of the calendar year in which the order directing payment of the claim becomes final, commencing with calendar year 1981. If, at the end of any calendar year, the commissioner determines that the courts have issued orders that have become final during the year directing payment out of the recovery portion of the fund in a total amount in excess of \$400,000 the funds available for recovery purposes, the commissioner shall allocate the \$400,000 funds available for recovery purposes among all claimants in the ratio that the amount ordered paid to each claimant bears to the aggregate of all amounts ordered paid. The commissioner shall mail notice of the allocation to all claimants not less than 45 days following the end of the calendar year. Any claimant who objects to

the plan of allocation shall file a petition in the district court of Ramsey or Hennepin county within 20 days of the mailing of notice setting forth the grounds for objection. Upon motion of the commissioner the court shall summarily dismiss the petition and order distribution in accordance with the proposed plan of allocation unless it finds substantial reason to believe that the distribution would be in violation of the provisions of this section. If a petition is filed, no distribution shall be made except in accordance with a final order of the court. In the event no petition is filed within 20 days of the mailing of notice, the commissioner shall make a distribution in accordance with the plan of allocation. Any distribution made by the commissioner in accordance with this subdivision shall be deemed to satisfy and extinguish the claims of any claimant receiving a distribution against the recovery portion of the fund.

Sec. 41. Minnesota Statutes 1988, section 507.45, subdivision 2, is amended to read:

Subd. 2. No charge, except a charge required to be disclosed by Regulation Z X, Code of Federal Regulations, title 12 24, section 226 3500, may be made by a closing agent unless the party to be charged is informed of the charge in writing at least five business days before the closing by the party charging for the closing services.

Sec. 42. [RULEMAKING EXEMPTION.]

The commissioner shall adopt amendments to Minnesota Rules, chapter 2800, as necessary to reflect the intent of the legislature in this act to regulate real estate closing agents in the same manner and to the same extent as licensed real estate brokers and salespersons. This exemption may not be used to support the adoption of rules that establish new or different requirements or obligations on real estate closing agents.

These rules are exempt from the rulemaking provisions of chapter 14. The commissioner must comply with section 14.38, subdivision 7, when adopting these rule amendments.

Sec. 43. [REPEALER.]

Minnesota Statutes 1988, section 82.34, subdivision 12, is repealed.

Sec. 44. [EFFECTIVE DATES.]

Sections 35 to 40 and 43 are effective for claims submitted after January 1, 1990.

Delete the title and insert:

"A bill for an act relating to commerce; providing for the regulation of real estate closing agents; prescribing penalties; appropriating money; amending Minnesota Statutes 1988, sections 82.17, subdivisions 7, 9, and 10; 82.18; 82.19, subdivisions 1, 2, 3, and 4; 82.20, subdivisions 1, 2, 3, 5, 8, 12, and by adding a subdivision; 82.21, subdivision 1; 82.22, subdivisions 1, 5, 6, 10, and 11; 82.23, subdivisions 2 and 3; 82.24, subdivisions 1, 2, 3, 4, 5, and 6; 82.27, subdivisions 1 and 2; 82.30, subdivision 1; 82.31, subdivision 1; 82.33, subdivision 1; 82.34, subdivisions 3, 4, 6, 7, 13, and 14; and 507.45, subdivision 2; repealing Minnesota Statutes 1988, section 82.34, subdivision 12."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 1336, A bill for an act relating to metropolitan airport planning; requiring various actions, plans, and reports by the metropolitan council and the metropolitan airports commission; establishing a state advisory council on metropolitan airport planning; proposing coding for new law in Minnesota Statutes, chapter 473.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [473.155] [AVIATION PLANNING.]

Subdivision 1. [AVIATION PLANNING ASSESSMENT.] By January 1 of each year, the council shall prepare an assessment of air transportation trends and factors that may affect major airport development in the metropolitan area for a prospective 30-year period.

Subd. 2. [AVIATION PLAN.] By February 1, 1990, the council shall amend the aviation chapter of the metropolitan development guide to incorporate policies and strategies that will ensure a comprehensive, coordinated, continuing, thorough, and timely investigation and evaluation of alternatives for major airport development in the metropolitan area for a prospective 30-year period. The alternatives to be examined must include both the airport improvements and enhancements of capacity that may be necessary at the existing airport and the location and development of a new airport.

Subd. 3. [SEARCH AREA.] By January 1, 1992, the council, in

consultation with the airports commission, shall designate an area within the metropolitan area as a search area for a major new airport.

Subd. 4. [LEGISLATIVE REPORTS.] (a) Until the activities required by section 3, subdivision 3, and section 4 are completed, the council shall report to the legislature by January 1 of each year on the results of the aviation planning activities of the council under this section.

(b) By February 1, 1990, after consulting further with the airports commission, the Federal Aviation Administration, industry representatives, and other persons, the council shall report to the legislature on assumptions and methods that will be used by the council to forecast demand for air travel and capacity needs at major airport facilities in the metropolitan area.

(c) By February 1, 1990, the council shall report to the legislature recommending methods and legislative actions that would be necessary to protect a new airport search area from conflicting development, to protect and control development on land at and around a site for a major new airport, and to inhibit land speculation and reduce incentives for land speculation in the airport area.

(d) By February 1, 1990, the council shall report to the legislature analyzing and making recommendations on aviation goals for the major airport facility in the metropolitan area. The report must address goals for safety, environmental impact, and service, including ground access and the airport capacity required to maintain and enhance service levels to other states and countries and to nonmetropolitan areas of the state.

(e) By January 1, 1993, the council shall report to the legislature on policies for the reuse of the existing major airport site should a new major airport be developed.

(f) At least 60 days before submitting a report to the legislature, the council shall submit a draft of the report to the state advisory council created by section 7, for review and comment. This requirement does not apply to the report under paragraph (a).

Sec. 2. Minnesota Statutes 1988, section 473.604, subdivision 1, is amended to read:

Subdivision 1. The commission consists of:

(1) the mayor of each of the cities, or a qualified voter appointed by the mayor, for the term of office as mayor;

(2) a number of members appointed from precincts equal or

nearest to but not exceeding half the number of districts which are provided by law for the selection of members of the metropolitan council in section 473.123. Each member shall be a resident of the precinct represented. The members shall be appointed by the governor as follows: a number as near as possible to one-fourth, for a term of one year; a similar number for a term of two years; a similar number for a term of three years; and a similar number for a term of four years, all of which terms shall commence on July 1, 1981. The successors of each member shall be appointed for four-year terms commencing in July of each fourth year after the expiration of the original term. Before making an appointment, the governor shall consult with each member of the legislature from the precinct for which the member is to be appointed, to solicit the legislator's recommendation on the appointment; and

(3) four members appointed from outside of the metropolitan area to reflect fairly the various regions and interests throughout the state that are affected by the operation of the commission's major airport and airport system. Two of these members must be residents of statutory or home rule charter cities, towns, or counties containing an airport designated by the commissioner of transportation as a key airport. The other two must be residents of statutory or home rule charter cities, towns, or counties containing an airport designated by the commissioner of transportation as an intermediate airport. The members must be appointed by the governor as follows: one for a term of one year, one for a term of two years, one for a term of three years, and one for a term of four years. All of the terms start on July 1, 1989. The successors of each member must be appointed to four-year terms commencing on July 1 of each fourth year after the expiration of the original term. Before making an appointment, the governor shall consult each member of the legislature representing the municipality or county from which the member is to be appointed, to solicit the legislator's recommendation on the appointment; and

(4) a chair appointed by the governor for a term of four years. The chair may be removed at the pleasure of the governor.

Sec. 3. [473.616] [COMPREHENSIVE AIRPORT PLANNING.]

Subdivision 1. [WOLD-CHAMBERLAIN PLAN.] (a) By January 1, 1991, the commission shall adopt a long-term comprehensive plan for the international airport at its existing location. The plan must describe:

- (1) aviation demand;
- (2) airport capacity limits and potential;
- (3) facilities requirements;

(4) a plan for physical development, including financial estimates and a tentative development schedule;

(5) airport operational characteristics;

(6) compatibility with metropolitan and local physical facility systems;

(7) environmental effects;

(8) safety; and

(9) the effect on the neighboring communities.

The plan must satisfy air transportation needs, as projected by the council, for a prospective 20-year period. At the same time, the commission shall prepare a concept plan for the airport, including an estimate of facilities requirements, to satisfy air transportation needs, as projected by the council, for an additional ten-year period. The plans must be updated at least every five years. The plans must be amended as necessary to reflect changes in trends and conditions, facilities requirements, and development plans and schedules. The plans are subject to sections 473.165 and 473.611.

(b) Until January 1, 1996, or until the commission has completed the activities required by subdivision 3 and section 4, whichever occurs first, the commission may construct a new runway or a new, expanded, or relocated terminal facility if the commission determines, by resolution containing findings of fact and conclusions, following a public hearing on the project, that construction of the runway or facility is: (1) necessary and prudent, considering the current and projected demand for service and related capacity requirements, and (2) consistent with a potential legislative decision, made promptly after the legislature receives the reports required under subdivision 3 and section 4, that the commission should proceed as expeditiously as is practicable to acquire and construct a new airport.

The commission shall contract with the state office of administrative hearings for the services of an administrative law judge to conduct and report on the hearing. The report of the administrative law judge to the commission shall contain findings of fact and conclusions. The report must be completed within 90 days of the day that the commission enters the contract for services with the state office of administrative hearings.

Subd. 2. [NEW AIRPORT, CONCEPTUAL DESIGN STUDY AND PLAN.] By February 1, 1990, the commission, in consultation with the council, shall complete a study of facilities requirements, airport functioning, and conceptual design for a major new airport in the

metropolitan area. By January 1, 1991, the commission shall complete a conceptual design plan for a major new airport. The council shall use the study and design plan in evaluating areas for locating a new airport under section 1, subdivision 3.

Subd. 3. [NEW AIRPORT; SITE SELECTION; COMPREHENSIVE PLAN.] Within four years following the council's designation of a search area under section 1, the commission shall: (1) select a site for a major new airport in the search area designated by the council; (2) prepare a comprehensive plan and schedule for the development of a major airport at that site, for a prospective 20-year period following a decision to develop a new airport; (3) prepare an estimate of facilities requirements and a concept plan for development of the airport for an additional ten years; and (4) prepare and submit for administrative review the environmental documents that are required for site acquisition.

Subd. 4. [LEGISLATIVE REPORTS.] (a) Until the activities required by subdivision 3 and section 4 are completed, the commission shall report to the legislature by January 1 of each year on the results of the airport planning activities of the commission under this section.

(b) By January 1, 1991, the commission shall report to the legislature on financial planning for a major new airport. The report shall address:

- (1) cost;
- (2) financing methods;
- (3) cost allocation issues;
- (4) methods of ensuring full amortization of major improvements at the existing airport before a transfer of operations;
- (5) lease agreements and user charges at a new airport;
- (6) the availability for new airport planning and development of public funds raised through user charges at the current airport;
- (7) methods of capturing for public uses a portion of the revenue from development around a new airport; and
- (8) other similar matters.

By February 1, 1990, the commission shall submit to the legislature a progress report on the report required by this paragraph.

(c) By February 1, 1990, the commission shall report to the legislature on the conceptual design study for a major new airport, prepared under subdivision 2. By January 1, 1991, the commission shall report to the legislature on the conceptual design plan prepared under subdivision 2.

(d) At least 60 days before submitting a report to the legislature, the commission shall submit a draft of the report to the advisory council created by section 7, for review and comment. This requirement does not apply to the report under paragraph (a).

**Sec. 4. [473.618] [AIRPORT PLANNING AND DEVELOPMENT REPORT.]**

By January 1, 1996, the metropolitan council and the airports commission shall report to the legislature on the long-range planning and development of major airport facilities in the metropolitan area. The report must include the recommendations of the agencies on acquiring a site for a major new airport and on major airport development in the metropolitan area for a prospective 30-year period. At least 60 days before submitting the report to the legislature, the agencies shall submit the report to the advisory council created by section 7 for review and comment.

**Sec. 5. [473.619] [PLANNING ADMINISTRATION.]**

Subdivision 1. [INTERAGENCY AGREEMENT.] The metropolitan council and the airports commission shall enter into an intergovernmental agreement by July 1, 1989. The agreement must establish a process and agency responsibilities for comprehensive and coordinated planning for major airport development, consistent with the requirements of this section and sections 1 to 4. The agreement must establish a joint committee composed of board members of the two agencies to oversee implementation of the agreement.

Subd. 2. [SCOPE OF WORK REPORT.] The metropolitan council and the airports commission shall prepare a scope of work report that describes the general scope and schedule of work and the topics to be addressed in the planning and study tasks required of the agencies under sections 1 to 4. By July 1, 1989, the report must be submitted to the advisory council created by section 7 for review and comment. The advisory council has 90 days to complete its review.

Subd. 3. [FEDERAL PARTICIPATION.] The metropolitan council and the airports commission shall apply for and make maximum use of available federal funding for their activities under sections 1 to 4.

Subd. 4. [CONSULTATION.] The metropolitan council and the airports commission shall prepare the plans and reports under

sections 1 to 4 in consultation with each other, the commissioner of transportation, the federal aviation administration, industry representatives, and other interested persons.

Subd. 5. [COMMENCEMENT.] In order to meet the planning deadlines, the agencies may begin preparing plans and studies immediately without waiting for the completion and review of the interagency agreement.

Sec. 6. Minnesota Statutes 1988, section 473.621, subdivision 1a, is amended to read:

Subd. 1a. [RELATIONSHIP TO LEGISLATURE.] The commission shall be held accountable to the legislature in its activities, plans, policies, and programs. It shall report each session to appropriate committees of the legislature as to its activities, plans, policies, and programs and shall make other reports and recommendations which the legislature or its committees deem appropriate. ~~The commission shall adopt a long-term comprehensive plan for the Minneapolis-St. Paul International Airport. The plan must describe, in the degree of detail that the commission deems appropriate for at least a prospective ten-year period, the following:~~

- (1) aviation demand;
- (2) airport capacity, including environmental, runway, terminal, and other factors relevant to capacity;
- (3) a plan and financial estimates for physical development;
- (4) airport operational characteristics;
- (5) compatibility with the capacity of metropolitan and local physical facility systems;
- (6) environmental effects; and
- (7) the effect on the neighboring communities.

~~The plan must be submitted to the legislature by December 31, 1988, and be updated at least every five years thereafter. The plan is subject to sections 473.165 and 473.611.~~

Sec. 7. [STATE ADVISORY COUNCIL.]

Subdivision 1. [ESTABLISHMENT; PURPOSE.] A state of Minnesota advisory council on metropolitan airport planning is established to provide a forum at the state level for education, discussion, and advice on the reports prepared for the legislature by the metropolitan council and metropolitan airports commission.

Subd. 2. [AUTHORITY; DUTIES.] (a) The advisory council shall review and comment on the scope of work report required by section 5, subdivision 2.

(b) The advisory council shall review and comment on the reports to the legislature required by section 1, subdivision 4, section 3, subdivision 4, and section 4.

(c) The advisory council may conduct public meetings on the reports to inform the public and solicit opinion.

(d) The advisory council may request interim briefings on work in progress.

Subd. 3. [MEMBERSHIP.] The members of the advisory council are:

(1) six legislators, three members of the senate and three members of the house of representatives, appointed by the customary appointing authority of each house;

(2) the commissioners of transportation, planning, the pollution control agency, and trade and economic development, or their designees;

(3) two metropolitan council members, appointed by the metropolitan council, at least one from a district directly affected by the international airport;

(4) two members of the metropolitan airports commission, appointed by the airports commission, at least one from a district directly affected by the international airport;

(5) two representatives of the aviation industry, appointed by the metropolitan council;

(6) four persons who are not eligible for selection under other clauses appointed as follows: two persons appointed by the customary appointing authority of each house of the legislature, one from the metropolitan area and the other from elsewhere in the state; and

(7) a representative of the federal aviation administration and persons representing members of Congress from the state, serving ex officio.

Members serve at the pleasure of the appointing authority.

Subd. 4. [CHAIRS.] The legislative appointing authorities shall each designate a legislative appointee to serve as a co-chair of the advisory council.

Subd. 5. [ADMINISTRATION.] On the request of the advisory council, legislative staff offices and the state and metropolitan agencies represented on the advisory council shall provide administrative and staff assistance.

Subd. 6. [TERMINATION.] The advisory council ceases to exist when the actions required by section 3, subdivision 3, and section 4 are completed.

**Sec. 8. [COMPLIANCE WITH OTHER LAWS.]**

Nothing in sections 1 to 9 relieves the commission or the council from any duties or responsibilities otherwise imposed by law.

**Sec. 9. [APPLICATION.]**

Sections 1 to 6 apply 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 airport planning; requiring various actions, plans, and reports by the metropolitan council and the metropolitan airports commission; expanding the membership of the commission; establishing a state advisory council on metropolitan airport planning; amending Minnesota Statutes 1988, sections 473.604, subdivision 1; and 473.621, subdivision 1a; proposing coding for new law in Minnesota Statutes, chapter 473."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Local Government and Metropolitan Affairs.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1351, A bill for an act relating to local government; permitting the Dakota and Washington county housing and redevelopment authorities to waive performance bonds for single family housing construction; amending Laws 1971, chapter 333; and Laws 1974, chapter 475.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Otis from the Committee on Economic Development to which was referred:

H. F. No. 1356, A bill for an act relating to economic development; designating a medical enterprise park opportunity zone in the city of Coon Rapids; providing tax benefits for the zone; appropriating money.

Reported the same back with the following amendments:

Page 1, lines 16 and 17, delete "Minnesota medical enterprise park" and insert "zone"

Page 2, line 23, after "zone" insert "designated under section 2"

Page 3, line 1, delete "shall" and insert "may,"

Page 3, line 2, after "resolution" insert a comma

Page 3, delete line 6 and insert "prescribed by the city council and approved by the commissioner"

Page 3, line 7, delete "the city council"

Page 3, line 12, delete "probable" and insert "proposed"

Page 4, line 36, delete "may have been allowed" and insert "was stated in the approving resolution; or"

Page 5, delete lines 1 to 3

Page 5, line 21, delete "an enterprise" and insert "the"

Page 5, lines 24 and 25, delete "if the purchase was made after January 1, 1988"

Page 5, line 32, after the semicolon insert "and"

Page 5, line 36, delete "; and" and insert a period

Page 6, delete lines 1 to 4

Page 6, line 22, delete "\$10,000,000" and insert "\$2,500,000"

Page 7, line 22, delete "Notwithstanding any other law or charter provision,"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Local Government and Metropolitan Affairs.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 1379, A bill for an act relating to health; establishing notice requirements for emergency medical services personnel who are first responders; providing safeguards for first responders against exposure to infectious diseases; proposing coding for new law in Minnesota Statutes, chapter 144.

Reported the same back with the following amendments:

Page 2, line 4, delete "reserve" and insert "rescue"

Page 2, line 7, delete "and"

Page 2, line 9, before the period insert "; and

(5) correctional guards including security guards at the Minnesota Security Hospital employed by the state or a local unit of government who experience a significant exposure to an inmate who is transported to a facility for emergency medical care"

Page 3, after line 26, insert:

"Subd. 3. [IMMUNITY.] A facility is not civilly or criminally liable for actions relating to the notification of emergency medical services personnel if the facility has made a good faith effort to adopt and follow a notification protocol."

Page 4, line 14, delete everything after the period

Page 4, delete lines 15 to 17

Page 5, line 13, after "release" insert ", by an individual or agency described in section 1, subdivision 4 or 5," and before "information" insert "personally identifying"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1406, A bill for an act relating to capital improvements; providing money to acquire open space in the city of Maplewood; authorizing sale of state bonds; appropriating money.

Reported the same back with the following amendments:

Page 1, line 10, after the period insert "The grant made under this section must be repaid by the city of Maplewood and the money credited to the state building fund upon conditions agreed upon by the commissioner of trade and economic development and the city of Maplewood."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 1408, A bill for an act relating to metropolitan government; restructuring the regional transit board and the metropolitan transit commission; directing the board to plan and coordinate light rail transit systems in the metropolitan area; directing the commission to operate any light rail transit systems; transferring responsibility for distribution of the transit assistance fund and for receipt of federal grants to the board; amending Minnesota Statutes 1988, sections 174.32, subdivision 2; 473.169, subdivisions 3, 4, 5, and by adding subdivisions; 473.373, by adding a subdivision; 473.375, subdivision 8, and by adding a subdivision; 473.404, subdivisions 2 and 3; and 473.4051; repealing Minnesota Statutes 1988, sections 473.1691; 473.17; 473.373, subdivision 4; and 473.398.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [473.1685] [REGIONAL RAILROAD AUTHORITIES; JOINT PLANNING.]

Subdivision 1. [JOINT PLANNING BOARD; CREATION; PURPOSE.] There is established a joint planning board for light rail transit, to:

(1) coordinate the activities of individual county regional railroad

authorities in planning light rail transit facilities in the metropolitan area; and

(2) ensure that the facilities are acquired, developed, and capable of operation in a coordinated manner as an integrated and unified system on a multicounty basis in coordination with buses and other transportation modes and facilities.

Subd. 2. [MEMBERSHIP.] The joint planning board consists of:

(1) two members of the governing board of each regional railroad authority that applies for and receives state funding for preliminary engineering of light rail transit facilities;

(2) one member, in addition to those under clause (1), of the governing board of each regional railroad authority that applies for and receives state funding for final design of light rail transit facilities;

(3) one member of the governing board of each regional railroad authority not represented under clause (1) that applies for and receives state funding for planning of light rail transit facilities; and

(4) two members of the metropolitan transit commission.

Appointments under clauses (1) to (3) are made by the respective authorities, and appointments under clause (4) are made by the commission. The regional transit board shall make the appointment for any appointing authority that fails to make the required appointments by August 1, 1989. Members serve at the pleasure of the agency making the appointment.

Subd. 3. [CHAIR.] The joint planning board shall annually elect a chair from among its members.

Subd. 4. [ADMINISTRATION.] Staff and administrative services for the board must be provided by the organizations represented. The board may apply for financial assistance from the state or the regional transit board. The joint planning board may create technical and staff advisory committees as it deems appropriate to assist the board in fulfilling its responsibilities.

Sec. 2. [473.1686] [LIGHT RAIL TRANSIT; REGIONAL MANAGEMENT PLAN.]

Subdivision 1. [REQUIREMENT; PURPOSE.] (a) By January 1, 1990, the joint planning board established under section 1 shall prepare a regional management plan for light rail transit.

(b) Nothing in this section should be interpreted to require the elimination of regional railroad authorities or to forbid one or more authorities to act independently, so long as their activities are consistent with the regional management plan.

(c) The plan must ensure that light rail transit facilities in the metropolitan area will be acquired, developed, owned, and capable of operation in a coordinated manner as an integrated and unified system on a multicounty basis in coordination with buses and other transportation modes and facilities. The management plan must include at least the following:

(1) specifications and standards to ensure joint or coordinated procurement of vehicles, electrification, communications and ticketing facilities, yards and shops, and other facilities that must be or should be operated on a systemwide basis;

(2) systemwide operating and performance specifications and standards;

(3) a method of organizing and coordinating acquisition, construction, ownership, and operation of the system, including in particular, provision for a single light rail transit operator and the organization and coordination method required if a turn-key approach to facility acquisition is used by a regional rail authority;

(4) bus and park-and-ride coordination policies, standards, and plans;

(5) a staged systemwide development plan for a prospective ten-year period, together with a financial plan showing anticipated and recommended sources and amounts of funds for (i) capital expenditures and debt service requirements for each stage of development, and (ii) annual operating costs and operating subsidies required;

(6) a method for ensuring ongoing coordination of development, design, and operational plans; and

(7) other matters that the joint planning board deems prudent and necessary to ensure that light rail transit facilities are acquired, developed, and capable of operation in a coordinated manner as an integrated and unified system on a multicounty basis in coordination with buses and other transportation modes and facilities.

(d) The plan must provide for the operation of light rail transit by the metropolitan transit commission.

Subd. 2. [APPROVAL BY REGIONAL TRANSIT BOARD.] The joint planning board shall submit the management plan prepared

under subdivision 1 to the regional transit board by January 1, 1990. The transit board shall determine whether the plan satisfies the requirements specified in subdivision 1. The transit board shall either approve the plan or, if it determines that the plan does not satisfy the requirements, disapprove the plan, in whole or in part, and recommend modifications in the plan that are necessary in order to secure approval. The transit board may not require that the first priority of the metropolitan system plan be the first route constructed. Before completing its review, the transit board shall:

(1) submit the plan to the council and the commissioner of transportation for review and comment;

(2) assemble a peer review panel of transit and light rail transit experts of national stature to review and comment on the plan; and

(3) hold a public hearing on the plan to receive the comments and suggestions of the public.

The transit board has 120 days from the date of submission to complete its review of the plan or plan modifications required for approval. Failure to respond within the time period is deemed to be approval, unless an extension of time is agreed to by the transit board and the joint planning board.

Subd. 3. [APPROVAL REQUIRED.] The regional management plan must be prepared, reviewed, and approved as required by this section before any regional railroad authority may begin construction of light rail transit facilities and before any authority is eligible for state financial assistance for constructing light rail transit facilities.

Subd. 4. [IMPLEMENTATION; CONFORMITY WITH PLAN.] Each regional railroad authority or other developer of light rail transit in the metropolitan area shall act in conformity with the approved regional management plan required by this section. To the extent and in the manner prescribed in the regional management plan, each authority or proposer shall prepare or amend its light rail transit plans as necessary to make the local plans consistent with the approved regional management plan. Each authority shall submit its plans to the joint planning board for review for consistency with the regional management plan. The joint board shall approve the local plans if it determines that they are consistent with the management plan; otherwise the joint board shall disapprove the plans, in whole or in part, and recommend modifications in the plans that are necessary in order to secure approval. The joint board has 60 days to complete its review.

Subd. 5. [PLAN AMENDMENT.] Amendments to the regional management plan must be adopted and submitted for review and approval or disapproval by the regional transit board.

Sec. 3. Minnesota Statutes 1988, section 473.169, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT DEFINITIONS AND REQUIREMENTS.] Before constructing a light rail transit facility, the political subdivision proposing the facility must hold a public hearing on the preliminary design plans as provided in subdivision 2, and submit the preliminary and final design plans for review as provided in subdivisions 3 to 5. (a) "Preliminary design plan" means a plan that identifies the following: location, length, and termini of routes; general dimension, elevation, alignment, and character of routes and crossings; approximate station locations; standards and specifications for facilities and equipment; environmental impacts and mitigation measures; intermodal coordination, with bus operations and routes and park and ride, parking, and other transportation facilities; an acquisition and implementation strategy; ridership; capital costs; operating costs and revenues; and funding for final design, construction, and operation.

(b) "Final design plan" means a plan that includes: the right-of-way definition; civil engineering; engineering plans for vehicles, track, stations, parking, access, electrification, communication, and other facilities; operational rules, procedures and strategies; financing; and other similar matters, all stated with sufficient particularity and detail to allow the proposer to begin the acquisition and construction of operable facilities.

(c) The design plans must include a plan for handicapped accessibility.

Sec. 4. Minnesota Statutes 1988, section 473.169, subdivision 3, is amended to read:

Subd. 3. [PRELIMINARY DESIGN PLANS; LOCAL APPROVAL.] At least 30 days before the hearing under subdivision 2, the proposer must shall submit the preliminary design plans to the governing body of each statutory and home rule charter city, county, and town in which the route is proposed to be located. The city, county, or town must shall hold a public hearing, except that a county board need not hold a hearing if the county board membership is identical to the membership of the regional rail authority submitting the plan for review. Within 45 days after the hearing under subdivision 2, the city, county, or town must shall review and approve or disapprove the plans for the route to be located in the city, county, or town. A local unit of government that disapproves the plans shall describe specific amendments to the plans that, if adopted, would cause the local unit to withdraw its disapproval. Failure to approve or disapprove the plans in writing within 45 days after the hearing is deemed to be approval, unless an extension of time is agreed to by the city, county, or town and the proposer. If the preliminary design plans are approved by each city, county, and town in which the route is

proposed to be located, the proposer may proceed with final design plans under subdivision 5.

Sec. 5. Minnesota Statutes 1988, section 473.169, subdivision 4, is amended to read:

Subd. 4. PRELIMINARY DESIGN PLANS; METROPOLITAN COUNCIL REFERRAL APPROVAL BY REGIONAL TRANSIT BOARD. If the governing body of one or more cities, counties, or towns disapproves the preliminary design plans within the period allowed (a) After review under subdivision 3, the proposer may refer shall submit the plans, along with any comments of local jurisdictions, to the metropolitan council regional transit board.

(b) The council must board shall hold a hearing on the plan, giving the proposer and the, any disapproving local governmental units, and other persons an opportunity to present the case for or against approval of their views on the plans. The council board may conduct independent study as it deems desirable and may mediate and attempt to resolve disagreements about the plans. Within 90 days after the referral, the council must either approve the plans as submitted by the proposer or recommend amended plans to accommodate the objections presented by the disapproving local governmental units.

(c) The board shall review the preliminary design plans to determine the compatibility of the plans with other light rail transit plans and facilities in the metropolitan area and the conformity of the plans with metropolitan transportation system plans. The board may comment on any aspect of the plans. The board shall either approve the plans or, if it determines that the plans do not satisfy the standard stated in this paragraph, disapprove the plans, in whole or in part, and recommend modifications in the plans that are necessary in order to secure approval. The board may not disapprove the first route proposed for construction solely because the route is not the first priority of metropolitan system plans.

(d) The board has 120 days from the date of submission to complete its review of plans or plan modifications required for approval. Failure to respond within the time period is deemed to be approval, unless an extension of time is agreed to by the council board and the proposer.

(e) Following approval or recommendation of preliminary design plans by the council board, the proposer may proceed with final design plans under subdivision 5. A proposer may not proceed with final design plans unless its preliminary design plans have been approved by the board.

Sec. 6. Minnesota Statutes 1988, section 473.169, subdivision 5, is amended to read:

Subd. 5. [FINAL DESIGN PLANS.] (a) After the approval local review of preliminary design plans under subdivision 3 or review and approval of the plans by the council following referral to the council board under subdivision 4, the proposer may prepare final design plans.

(b) Before proceeding with construction, the proposer ~~must~~ shall submit the final design plans to the governing body of each statutory and home rule city, county, and town in which the route is proposed to be located. Within 60 days after the submission of the plans, the city, county, or town ~~must~~ shall review and approve or disapprove the plans for the route located in the city, county, or town. A local unit of government that disapproves the plan shall describe specific amendments to the plan that, if adopted, would cause the local unit to withdraw its disapproval. Failure to approve or disapprove the plans in writing within the time period is deemed to be approval, unless an extension is agreed to by the city, county, or town and the proposer. If the final design plans are approved by each city, county, and town in which the route is proposed to be located, the proposer may proceed with construction on that route.

(c) If the governing body of one or more cities, counties, or towns disapproves the final design plans within the period allowed After review under paragraph (b), the proposer may refer shall submit the final design plans, along with any comments of local jurisdictions, to the metropolitan council regional transit board. The council must board shall review the final design plans under the same procedure, according to the same standards, and with the same effect as provided in subdivision 4 for preliminary design plans, except that the board shall also review the final design plans to determine whether the plans conform to the approved regional management plan required by section 2.

(d) Following approval or recommendation of final design plans by the council board, the proposer may proceed with construction. A proposer may not proceed with construction unless its design plans have been approved by the board.

Sec. 7. Minnesota Statutes 1988, section 473.17, is amended to read:

473.17 [COOPERATION AND COORDINATION IN LIGHT RAIL TRANSIT.]

~~Notwithstanding section 473.398,~~ Subdivision 1. [REGIONAL AGENCIES.] The metropolitan council and the regional transit board shall cooperate with regional rail authorities in the study, planning, and design of regional rail authority light rail transit systems, and the metropolitan transit commission shall cooperate with regional rail authorities in the operational planning and operation of regional rail authority light rail transit systems.

Subd. 2. [COORDINATION BY REGIONAL TRANSIT BOARD.] The transit board shall ensure coordination of the activities of individual regional railroad authorities and shall ensure that light rail transit facilities in the metropolitan area are acquired, developed, owned, and operated in a coordinated manner as an integrated and unified system on a multicounty basis in coordination with buses and other transportation modes and facilities.

Subd. 3. [LIMITATION.] Nothing in this section should be interpreted to require the elimination of regional rail authorities or to forbid one or more authorities to act independently, so long as the activities are consistent with the coordination required by this section.

Sec. 8. Minnesota Statutes 1988, section 473.373, subdivision 1a, is amended to read:

Subd. 1a. [PURPOSE.] (a) The purposes of the board are:

(1) to foster effective delivery of existing transit services and encourage innovation in transit service;

(2) to increase transit service in suburban areas;

(3) to prepare implementation and financial plans for the metropolitan transit system;

(4) to set policies and standards for implementing the transit policies and programs of the state and the transit policies of the metropolitan council in the metropolitan area;

(5) to advise and work cooperatively with local governments, regional rail authorities, and other public agencies, transit providers, developers, and other persons in order to coordinate all modes of transit and to increase the availability of transit services;

(6) to conduct transit research and evaluation; and

(7) to administer state and metropolitan transit subsidies.

(b) The board shall arrange with others for the delivery and provision of transit services and facilities. The board shall avoid, to the greatest extent possible, direct operational planning, administration, and management of specific transit services and facilities.

(c) The board shall advise the council, the council's transportation advisory board, the department of transportation, local political subdivisions, and private developers on the transit aspects and effects of proposed transportation plans and development projects and on methods of improving the coordination, availability, and use

of transit services as part of an efficient and effective overall transportation system.

Sec. 9. Minnesota Statutes 1988, section 473.373, is amended by adding a subdivision to read:

Subd. 2a. [MEMBERS.] (a) The board consists of 11 members appointed by the council.

(b) Eight members are appointed from each of the following agency districts:

- (1) district A, consisting of council districts 1 and 2;
- (2) district B, consisting of council districts 3 and 6;
- (3) district C, consisting of council districts 4 and 5;
- (4) district D, consisting of council districts 7 and 9;
- (5) district E, consisting of council districts 8 and 10;
- (6) district F, consisting of council districts 11 and 12;
- (7) district G, consisting of council districts 13 and 14;
- (8) district H, consisting of council districts 15 and 16.

The members must be residents of the districts for which they are appointed and must be elected officials of statutory or home rule charter cities, towns, or counties. At least two of the members must be county board members, each from a different county. At least 30 days before the expiration of a term, or upon the occurrence of a vacancy, the council shall request nominations for the position from relevant organizations of local elected officials, such as the association of metropolitan municipalities, the metropolitan intercounty association, the association of urban counties, and the association of townships. A local unit of government that is not a member of an association of local elected officials may submit a nomination independently. The council shall make the appointment from the nominees submitted to it, to the extent possible consistent with the other requirements of this paragraph and with a fair representation of the diverse areas and constituencies affected by transit.

(c) Three citizen members with governmental or management experience are appointed to represent the interests of the metropolitan area at large. In making these appointments, the council shall follow the procedures required by section 473.141, subdivision 2.

(d) No single city or town may have more than three of its residents on the board at once.

(e) Appointments are subject to the advice and consent of the senate as provided in section 15.066.

Sec. 10. Minnesota Statutes 1988, section 473.373, subdivision 4, is amended to read:

Subd. 4. [TERMS.] The initial terms of members and the chair appointed under Laws 1984, chapter 654, article 3, section 116, section 10 commence on the first day after July 1, 1984, that the chair and at least seven other members have been appointed and qualified and July 1, 1989. The terms of members and the chair serving on the effective date of this section expire on the first day that the chair and eight members appointed under section 473.141 and this section 10 are appointed and qualified under section 473.141, subdivision 4. By August 1, 1985, the appointing authorities shall appoint a chair and eight members from the districts defined in section 473.141. The initial terms of members and the chair appointed in 1985 are as follows: members representing commission districts A, B, C, and D and the chair of the board, for terms ending the first Monday in January of the year ending in the numeral "7"; members representing commission districts E, F, G, and H for terms ending the first Monday in January of the year ending in the numeral "9." At least one of the members appointed by the council must be 65 years of age or older at the time of the appointment. The council shall appoint half of the members initially appointed under subdivision 2a, paragraph (b), to terms of two years and half to terms of four years. Thereafter the term of each member and the chair appointed under subdivision 2a, paragraph (b), is four years, subject to the provisions on apportionment, successor qualification, removal, and vacancy of section 473.141, subdivisions 4a, 5, and 6. The council shall appoint two of the members initially appointed under subdivision 2a, paragraph (c), to a term of two years and one to a term of four years. Thereafter the term of each member appointed under subdivision 2a, paragraph (c), is four years, subject to the provisions on successor qualification, removal, and vacancy of section 473.141.

Sec. 11. Minnesota Statutes 1988, section 473.373, subdivision 5, is amended to read:

Subd. 5. [CHAIR.] (a) The board shall elect a member to serve as the chair of the board for a term of two years.

(b) The chair is paid a per diem compensation for each meeting and other services as authorized by the board and is reimbursed for expenses as provided in section 473.141, subdivision 7, except that the chair's per diem is 1½ times the per diem paid to members.

(c) The duties of the chair are:

(a) (1) to preside over all board meetings attended;

(b) (2) to serve as the principal a transit spokesperson within the metropolitan area before the legislature, other state and regional agencies, local units of government, and the general public;

(c) (3) to present to the governor and the legislature, after approval by the council, the board's financial plan for public transit in the metropolitan area;

(d) (4) to convene and preside at an annual regional transit conference of transit providers, operators, and users; and

(e) (5) to perform other duties assigned by law or by the board.

Sec. 12. Minnesota Statutes 1988, section 473.375, subdivision 8, is amended to read:

Subd. 8. [GIFTS; GRANTS.] The board may apply for, accept and disburse gifts, grants, or loans from the United States, the state, or from any person on behalf of itself or any of its contract recipients, for any of its purposes. It may enter into an agreement required for the gifts, grants, or loans and may hold, use, and dispose of money or property received therefrom according to the terms of the gift, grant, or loan. The board may not be a recipient of federal operating or capital assistance distributed by formula or block grant. ~~The board may not be a recipient of federal discretionary capital grants for light rail and other fixed guideway transit systems.~~

No political subdivision within the metropolitan area may apply for federal transit assistance unless its application has been submitted to and approved by the board.

Sec. 13. Minnesota Statutes 1988, section 473.375, subdivision 13, is amended to read:

Subd. 13. [FINANCIAL ASSISTANCE.] The board may provide financial assistance to the commission and other providers as provided in sections 473.371 to 473.449 in furtherance of and in conformance with the implementation plan of the board. The board may not use the proceeds of bonds issued by the council under section 473.39 to provide capital assistance to private, for-profit operators of public transit.

Sec. 14. Minnesota Statutes 1988, section 473.404, subdivision 2, is amended to read:

Subd. 2. [MEMBERSHIP.] The transit commission consists of ~~three~~ five members appointed by the transit board. One member must be a resident of the city of Minneapolis, one must be a resident of the city of St. Paul, and one two must reside in the service area of the commission outside of Minneapolis and St. Paul, and one may reside anywhere in the metropolitan area. At least one of the two members appointed as residents of the service area outside of the two cities must reside in the commission's full-peak and off-peak service area, as defined for tax purposes in section 473.446. Appointments are ~~not~~ subject to the advice and consent of the senate as provided in section 15.066. Appointments are not subject to the advice and consent of the senate.

Sec. 15. Minnesota Statutes 1988, section 473.404, subdivision 3, is amended to read:

Subd. 3. [TERMS.] (a) The term of each member of the commission is three years and until a successor is appointed and qualified.

(b) The initial terms of members authorized in 1984 commence on the first day after August 1, 1984, that all three members have been appointed and qualified. One member must be appointed to an initial term of one year, one to an initial term of two years, and one to an initial term of three years. The terms of members of the transit commission appointed and serving on August 1, 1984, pursuant to Minnesota Statutes 1982, section 473.141, expire on the day that the terms of members appointed pursuant to this section commence.

(c) The initial terms of the two added members, first appointed in 1989, commence August 1, 1989. One member must be appointed to an initial term of two years and one to an initial term of three years.

Sec. 16. Minnesota Statutes 1988, section 473.404, subdivision 5, is amended to read:

Subd. 5. [QUALIFICATION.] Each member of the commission must have transit, governmental, or management experience. A member shall not during a term of office be a member of the metropolitan council, the regional transit board, the metropolitan waste control commission, the metropolitan airports commission, the metropolitan sports facilities commission, or any other independent regional commission, board, or agency, or hold any judicial office. Each member shall qualify by taking and subscribing to the oath of office prescribed by the Minnesota Constitution, article 5, section 5. The oath, duly certified by the official administering it, must be filed with the metropolitan council.

Sec. 17. [TRANSIT COMMISSION; LIGHT RAIL.]

The transit commission shall be the operator of a light rail transit

system upon completion of construction of a light rail transit facility, shops, yards, or line segment by a regional rail authority.

Sec. 18. [APPLICATION.]

Sections 2 to 17 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington.

Sec. 19. [REPEALER.]

Minnesota Statutes 1988, sections 473.1691 and 473.398, are repealed."

Delete the title and insert:

"A bill for an act relating to metropolitan transit; requiring joint planning for light rail transit; establishing a joint planning board; requiring approval of light rail transit plans by the regional transit board; specifying the composition of the regional transit board and the metropolitan transit commission; changing various provisions relating to metropolitan transit programs and authorities; amending Minnesota Statutes 1988, sections 473.169, subdivisions 1, 3, 4, and 5; 473.17; 473.373, subdivisions 1a, 4, 5, and by adding a subdivision; 473.375, subdivisions 8 and 13; 473.404, subdivisions 2, 3, and 5; proposing coding for new law in Minnesota Statutes, chapter 473; repealing Minnesota Statutes 1988, sections 473.1691 and 473.398."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Local Government and Metropolitan Affairs.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 1411, A bill for an act relating to cooperatives; recodifying and clarifying certain provisions on cooperative businesses; amending certain provisions of cooperative business law; requiring a registered officer or agent for cooperatives; authorizing cooperatives to provide greater approval proportions than provided in statute for certain cooperative actions; providing corporate existence of cooperative begins with filing of articles; authorizing loans to and fiduciary powers with members; specifying how vacancies in unexpired directors' terms may be filled; authorizing the board to rescind membership for member violations; eliminating certain filings with county recorders; eliminating attorney general approval of articles of merger or consolidation; prescribing a fee for filing articles of consolidation; prescribing a procedure for dissolution of coopera-

tives; deeming certain organized cooperatives to be organized under and subject to this act; amending Minnesota Statutes 1988, sections 47.20, subdivision 2; 117.232, subdivision 1; 216B.027, subdivision 5; 237.075, subdivision 9; 273.124, subdivisions 3 and 6; 273.132, subdivision 5; 363.01, subdivision 32; and 500.20, subdivision 2a; proposing coding for new law as Minnesota Statutes, chapter 308A; repealing Minnesota Statutes 1988, sections 308.01 to 308.92.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 1447, A bill for an act relating to motor vehicles; defining the effect of certain leases; amending Minnesota Statutes 1988, section 168A.17, by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1469, A bill for an act relating to Roseau county; providing increased bonding authority for hospital districts in the county; amending Laws 1961, chapter 115, section 4, as amended.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1517, A bill for an act relating to local government; authorizing the city of St. Louis Park to change the name of the housing and redevelopment authority; permitting the recording of certain deeds.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

S. F. No. 390, A bill for an act relating to state lands; authorizing sale of certain tax-forfeited land that borders public water in Todd county.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

S. F. No. 478, A bill for an act relating to education; providing for donations to the permanent school fund; amending Minnesota Statutes 1988, sections 84.085 and 124.08.

Reported the same back with the following amendments:

Page 1, line 25, strike "this" and insert "a school endowment"

Page 2, line 1, strike the colon and insert a period

Page 2, line 2, strike ", which"

Page 2, line 8, after the period insert "Marketable securities may be disposed of at the discretion of the state board of investment consistent with sections 11A.16 and 11A.24."

With the recommendation that when so amended the bill pass.

The report was adopted.

## SECOND READING OF HOUSE BILLS

H. F. Nos. 13, 386, 400, 655, 660, 796, 812, 843, 881, 895, 1149, 1160, 1225, 1287, 1290, 1351, 1411, 1447 and 1517 were read for the second time.

**SECOND READING OF SENATE BILLS**

S. F. Nos. 358, 699, 112, 390 and 478 were read for the second time.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

Pugh and Seaberg introduced:

H. F. No. 1587, A bill for an act relating to education; providing aid to repair damage due to vandalism at Sibley High School; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Segal and Carlson, L., introduced:

H. F. No. 1588, A bill for an act relating to human services; establishing a public/academic liaison initiative for mental health; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 245.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Kahn introduced:

H. F. No. 1589, A bill for an act relating to the city of Minneapolis; giving the city certain powers pertaining to the delivery of energy and environmental services.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Omamm introduced:

H. F. No. 1590, A bill for an act relating to state lands; permitting land exchange in Benton county.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Clark, Price, Beard and Otis introduced:

H. F. No. 1591, A resolution memorializing the Congress of the United States to continue to limit the scope of commercial aircraft maintenance performed outside the United States.

The bill was read for the first time and referred to the Committee on Transportation.

Olson, K.; Olson, E.; McEachern; Vanasek and Dawkins introduced:

H. F. No. 1592, A bill for an act relating to education; providing for stable natural gas supply to schools; proposing coding for new law in Minnesota Statutes, chapter 216B.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Dorn, Orenstein, Jefferson, Trimble and Vanasek introduced:

H. F. No. 1593, A bill for an act relating to economic development; appropriating money to the Minnesota Music Academy.

The bill was read for the first time and referred to the Committee on Economic Development.

Morrison, Limmer, Scheid, Seaberg and Frerichs introduced:

H. F. No. 1594, A bill for an act relating to the legislature; requiring the legislature to conform to the standards of the open meeting law; proposing coding for new law in Minnesota Statutes, chapter 3.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

Sviggum introduced:

H. F. No. 1595, A bill for an act relating to state lands; authorizing commissioner of natural resources to convey certain land in Frontenac State Park to adjoining property owners.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Pugh, Janezich, Pappas and Greenfield introduced:

H. F. No. 1596, A bill for an act relating to secured transactions; requiring the secured party to provide certain notices before collateral is disposed of after default; amending Minnesota Statutes 1988, section 336.9-504.

The bill was read for the first time and referred to the Committee on Judiciary.

Stanisus introduced:

H. F. No. 1597, A bill for an act relating to retirement; volunteer firefighters; excluding volunteer firefighters serving with the White Bear Lake fire department from the definition of public employee.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Runbeck, Vellenga, Carruthers, Macklin and Swenson introduced:

H. F. No. 1598, A bill for an act relating to traffic safety; authorizing the commissioner of public safety to establish a model victim panel program for first time DWI offenders; authorizing the commissioner to award a grant-in-aid to a volunteer citizen organization to administer the program; appropriating money; amending Minnesota Statutes 1988, section 169.121, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 169.

The bill was read for the first time and referred to the Committee on Judiciary.

Bertram introduced:

H. F. No. 1599, A bill for an act relating to agriculture; authorizing townships to suspend certain noxious weed laws during drought; proposing coding for new law in Minnesota Statutes, chapter 18.

The bill was read for the first time and referred to the Committee on Agriculture.

Bertram introduced:

H. F. No. 1600, A bill for an act relating to game and fish; allowing previously licensed shooting preserves to be exempt from certain pheasant release provisions; amending Minnesota Statutes 1988, section 97A.121, subdivision 4a.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Clark, Trimble, Pappas, McGuire and Bennett introduced:

H. F. No. 1601, A bill for an act relating to state government; adding members to the council on Asian-Pacific Minnesotans; amending Minnesota Statutes 1988, section 3.9226, subdivision 1.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Lynch introduced:

H. F. No. 1602, A bill for an act relating to health; appropriating money for a study of radium in public water supplies.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Omann introduced:

H. F. No. 1603, A bill for an act relating to taxation; sales and use; exempting sales of farm machinery; including repair and replacement parts in the definition of farm machinery; amending Minnesota Statutes 1988, sections 297A.01, subdivision 15; 297A.02, subdivision 2; and 297A.25, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Otis introduced:

H. F. No. 1604, A bill for an act relating to economic development; clarifying the powers and duties of the Greater Minnesota Corporation; expanding auditing and reporting requirements; amending Minnesota Statutes 1988, sections 116O.02, by adding a subdivision; 116O.03, subdivision 1, and by adding a subdivision; 116O.04, by adding a subdivision; 116O.05; 116O.06, subdivisions 1 and 5; 116O.08, subdivision 2; 116O.12; 116O.14; and 116O.15.

The bill was read for the first time and referred to the Committee on Economic Development.

Kinkel; Johnson, R.; Hasskamp; Peterson and Anderson, R., introduced:

H. F. No. 1605, A bill for an act relating to taxation; sales; providing an exemption for construction materials on homesteaded resorts; amending Minnesota Statutes 1988, section 297A.25, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Taxes.

Kinkel; Wenzel; Cooper; Olson, E., and Uphus introduced:

H. F. No. 1606, A bill for an act relating to agriculture; increasing the value for destroyed livestock; amending Minnesota Statutes 1988, section 3.737, subdivision 1.

The bill was read for the first time and referred to the Committee on Agriculture.

Milbert introduced:

H. F. No. 1607, A bill for an act relating to education; modifying the eligibility for exceptional need revenue; amending Minnesota Statutes 1988, section 124.217, subdivision 1.

The bill was read for the first time and referred to the Committee on Education.

Schreiber, Battaglia, Carruthers, Jennings and Runbeck introduced:

H. F. No. 1608, A bill for an act relating to local government; planning and zoning; permitting limited duration for conditional use permits; making explicit the scope of certain statutes; amending Minnesota Statutes 1988, sections 462.358, subdivision 2a; and 462.3595, subdivision 3.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Kinkel introduced:

H. F. No. 1609, A bill for an act relating to libraries; providing funds for library construction in Kitchigami Regional Library system; authorizing the sale of state bonds; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Kinkel and Olson, E., introduced:

H. F. No. 1610, A bill for an act relating to natural resources; authorizing the commissioner to appoint Indians as special enforcement officers under certain conditions; amending Minnesota Statutes 1988, section 97A.241.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Neuenschwander; Carlson, D.; Begich; Miller and Pugh introduced:

H. F. No. 1611, A bill for an act relating to crimes; enhancing penalties for theft and receiving stolen property offenses when the property stolen is a firearm; amending Minnesota Statutes 1988, sections 609.52, subdivision 3; and 609.53, subdivision 1.

The bill was read for the first time and referred to the Committee on Judiciary.

Osthoff; Carlson, L.; Segal; Kahn and Heap introduced:

H. F. No. 1612, A bill for an act relating to economic development; regulating the job skills partnership program; amending Minnesota Statutes 1988, sections 116L.02; and 116L.04, subdivision 1; repealing Laws 1983, chapter 334, section 7, as amended.

The bill was read for the first time and referred to the Committee on Economic Development.

Kostohryz, O'Connor, Rice, Begich and Ogren introduced:

H. F. No. 1613, A bill for an act relating to employment; regulating employee inventions; amending Minnesota Statutes 1988, section 181.78, by adding a subdivision.

The bill was read for the first time and referred to the Committee on Commerce.

Rukavina, Jaros, Begich, Stanius and O'Connor introduced:

H. F. No. 1614, A bill for an act relating to alcoholic beverages;

eliminating nonintoxicating malt liquor licenses; authorizing the issuance of malt liquor licenses; providing for restrictions on the issuance of malt liquor licenses; amending Minnesota Statutes 1988, sections 28A.16; 182.651, subdivision 18; 297A.02, subdivision 3; 340A.101, subdivisions 10 and 14; 340A.301, subdivisions 1, 6, and 7; 340A.308; 340A.310; 340A.311; 340A.402; 340A.403, subdivisions 1 and 2; 340A.404, subdivision 5; 340A.4055; 340A.407; 340A.408, subdivisions 1, 4, and 5; 340A.409, subdivision 4; 340A.410, subdivision 8; 340A.411; 340A.412, subdivision 6; 340A.413, subdivision 4; 340A.414, subdivision 2; 340A.503, subdivision 1; 340A.504, subdivisions 1 and 6; 340A.508, subdivision 2; 340A.601, subdivision 1; 340A.903; 624.701, subdivision 1; and 624.731, subdivision 5; repealing Minnesota Statutes 1988, sections 340A.101, subdivision 19; and 340A.403, subdivision 3.

The bill was read for the first time and referred to the Committee on Regulated Industries.

Osthoff; Carlson, D.; Anderson, G.; Solberg and Bishop introduced:

H. F. No. 1615, A bill for an act relating to appropriations; appropriating funds for programs to identify, protect and manage endangered natural resources, and the county biological survey.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Bishop, Kelly, Pugh and Rest introduced:

H. F. No. 1616, A bill for an act relating to legislative enactments; providing for the correction of miscellaneous oversights, inconsistencies, ambiguities, unintended results, and technical errors of a noncontroversial nature; amending Minnesota Statutes 1988, section 124.43, subdivision 1, as amended.

The bill was read for the first time and referred to the Committee on Judiciary.

Kahn, Trimble, Rukavina, Wagenius and Pauly introduced:

H. F. No. 1617, A bill for an act relating to the environment; providing for mitigation of the greenhouse effect by imposing a surcharge on motor vehicles and on facilities permitted by the pollution control agency; establishing a carbon dioxide tree planting account; proposing coding for new law in Minnesota Statutes, chapter 116.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Sarna introduced:

H. F. No. 1618, A bill for an act relating to commerce; securities; authorizing the issuance of stop orders on certain registration statements; amending Minnesota Statutes 1988, section 80A.13, subdivision 1.

The bill was read for the first time and referred to the Committee on Commerce.

Neuenschwander, Schreiber, Ogren, Valento and Welle introduced:

H. F. No. 1619, A bill for an act relating to taxation; sales; phasing out the accelerated June sales tax payment; amending Minnesota Statutes 1988, section 297A.275; repealing Minnesota Statutes 1988, section 297A.275.

The bill was read for the first time and referred to the Committee on Taxes.

Battaglia; Carlson, D.; Neuenschwander; Trimble and Winter introduced:

H. F. No. 1620, A bill for an act relating to natural resources; reallocating costs assessed against the game and fish fund; appropriating money; amending Minnesota Statutes 1988, sections 97A.055, by adding a subdivision; 97A.061, subdivision 1; and 97A.165; proposing coding for new law in Minnesota Statutes, chapter 84.

The bill was read for the first time and referred to the Committee on Environment and Natural Resources.

Battaglia, Neuenschwander and Rukavina introduced:

H. F. No. 1621, A bill for an act relating to state government; extending the term of the citizens council on Voyageurs National Park; amending Minnesota Statutes 1988, section 84B.11, subdivision 4.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Welle, Peterson, Bauerly, McGuire and Ozment introduced:

H. F. No. 1622, A bill for an act relating to education; making school attendance a condition of obtaining a driver's license; amending Minnesota Statutes 1988, sections 171.04 and 171.18.

The bill was read for the first time and referred to the Committee on Education.

Hartle introduced:

H. F. No. 1623, A bill for an act relating to taxation; requiring payment of full six percent excise tax by buyer of collector vehicle who reregisters the vehicle for street use within one year of the sale; amending Minnesota Statutes 1988, section 297B.025, subdivision 2.

The bill was read for the first time and referred to the Committee on Taxes.

Kostohryz, Vanasek, Long, Schreiber and McDonald introduced:

H. F. No. 1624, A bill for an act relating to taxation; repealing the prohibition against importation of certain amounts of alcoholic beverages by individuals; amending Minnesota Statutes 1988, section 297C.09.

The bill was read for the first time and referred to the Committee on Taxes.

Uphus and Bauerly introduced:

H. F. No. 1625, A bill for an act relating to traffic regulations; prohibiting sales of certain trailers without service brakes; amending Minnesota Statutes 1988, section 169.67, subdivision 4, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Transportation.

Lasley introduced:

H. F. No. 1626, A bill for an act relating to state lands; conveying easement for sanitary sewer to city of Cambridge.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Welle introduced:

H. F. No. 1627, A bill for an act relating to taxation; income; providing an exception to partnership withholding provisions; amending Minnesota Statutes 1988, section 290.92, subdivision 4b, as added.

The bill was read for the first time and referred to the Committee on Taxes.

Rest, Skoglund, Pauly and Morrison introduced:

H. F. No. 1628, A bill for an act relating to taxation; property; modifying the metropolitan revenue distribution system; phasing out certain exemptions; decreasing the contribution percentage; changing certain definitions; prohibiting use of proceeds for special purposes; amending Minnesota Statutes 1988, sections 473F.01; 473F.02, subdivisions 3 and 12; 473F.06; 473F.07, subdivisions 1 and 3; 473F.08, subdivisions 2 and 6; and 473F.13, subdivision 1; repealing Minnesota Statutes 1988, sections 473F.02, subdivisions 9, 11, 16, 17, 18, 19, and 20; 473F.12; and 473F.13, subdivisions 2 and 3.

The bill was read for the first time and referred to the Committee on Taxes.

Simoneau introduced:

H. F. No. 1629, A bill for an act relating to local government; amending provisions relating to group insurance contracts; amending Minnesota Statutes 1988, section 471.616, subdivision 1, and by adding a subdivision.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Reding introduced:

H. F. No. 1630, A bill for an act relating to the city of Austin; providing for the service of the police and fire chiefs.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Clark, Simoneau and Johnson, R., introduced:

H. F. No. 1631, A bill for an act relating to retirement; Minnesota state retirement system; permitting payments toward the cost of

Medicare Plan B medical coverage for retirees receiving annuities from the system; proposing coding for new law in Minnesota Statutes, chapter 352.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Segal introduced:

H. F. No. 1632, A bill for an act relating to education; providing for cost of living differential aid; appropriating money; amending Minnesota Statutes 1988, section 124A.24; proposing coding for new law in Minnesota Statutes, chapter 124.

The bill was read for the first time and referred to the Committee on Education.

Sparby introduced:

H. F. No. 1633, A bill for an act relating to agriculture; providing coordination of aquiculture programs; requiring reporting to the commissioner of agriculture on aquiculture projects with state funding; defining aquiculture; declaring aquiculture an agricultural pursuit; amending Minnesota Statutes 1988, section 17.49; proposing coding for new law in Minnesota Statutes, chapter 17.

The bill was read for the first time and referred to the Committee on Agriculture.

Wenzel introduced:

H. F. No. 1634, A bill for an act relating to veterans; designating certain state land in Morrison county as the state veterans memorial park; proposing coding for new law in Minnesota Statutes, chapter 85.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

#### HOUSE ADVISORIES

The following House Advisory was introduced:

Simoneau, Haukoos, Knickerbocker, Scheid and Anderson, G., introduced:

H. A. No. 6, A proposal to study issues relating to classified and unclassified positions in the executive branch.

The advisory was referred to the Committee on Governmental Operations.

### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following House File, herewith returned:

H. F. No. 106, A bill for an act relating to game and fish; selection process for wild turkey license holders; proposing coding for new law in Minnesota Statutes, chapter 97B.

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. 508, A bill for an act relating to local government; permitting statutory cities to have seven member councils; amending Minnesota Statutes 1988, sections 412.02, subdivision 1, and by adding a subdivision; 412.021, subdivision 2; 412.191, subdivisions 1 and 2; 412.541, subdivision 4; 412.571, subdivisions 1 and 4; 412.581; and 412.631.

H. F. No. 937, A bill for an act relating to commerce; uniform commercial code; providing a 20-day notice period for certain fixture filings; amending Minnesota Statutes 1988, section 336.9-313.

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. 322, A bill for an act relating to consumer protection; regulating the sale of used motor vehicles; modifying certain definitions; amending Minnesota Statutes 1988, section 325F.662, subdivisions 1 and 3.

PATRICK E. FLAHAVEN, Secretary of the Senate

## CONCURRENCE AND REPASSAGE

Begich moved that the House concur in the Senate amendments to H. F. No. 322 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 322, A bill for an act relating to consumer protection; regulating the sale of used motor vehicles; modifying certain definitions; amending Minnesota Statutes 1988, section 325F.662, subdivisions 1 and 3.

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 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kostohryz	Onnen	Seaberg
Anderson, G.	Frerichs	Krueger	Orenstein	Segal
Anderson, R.	Girard	Lasley	Osthoff	Simoneau
Battaglia	Greenfield	Lieder	Ostrom	Skoglund
Bauerly	Gruenes	Limmer	Otis	Solberg
Beard	Gutknecht	Long	Ozment	Sparby
Begich	Hartle	Lynch	Pauly	Stanius
Bennett	Hasskamp	Macklin	Pellow	Steensma
Bertram	Haukoos	Marsh	Pelowski	Sviggrum
Bishop	Heap	McDonald	Peterson	Swenson
Blatz	Henry	McEachern	Poppenhagen	Tjornhom
Boo	Himle	McGuire	Price	Tompkins
Brown	Hugoson	McLaughlin	Pugh	Trimble
Burger	Jacobs	McPherson	Quinn	Tunheim
Carlson, D.	Janezich	Milbert	Redalen	Uphus
Carlson, L.	Jaros	Miller	Reding	Valento
Carruthers	Jefferson	Morrison	Rest	Vellenga
Clark	Jennings	Munger	Rice	Wagenius
Conway	Johnson, A.	Murphy	Richter	Waltman
Cooper	Johnson, R.	Nelson, C.	Rodosovich	Weaver
Dauner	Johnson, V.	Nelson, K.	Rukavina	Welle
Dawkins	Kalis	Neuenschwander	Runbeck	Wenzel
Dempsey	Kelly	Ogren	Sarna	Williams
Dille	Kelso	Olson, E.	Schafer	Winter
Dorn	Kinkel	Olson, K.	Scheid	Wynia
Forsythe	Knickerbocker	Omann	Schreiber	Spk. Vanasek

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. 321, A bill for an act relating to consumer protection; regulating new motor vehicle sales; limiting a dealer's liability due to the manufacturer's failure to repair, refund, or replace nonconforming vehicles; amending Minnesota Statutes 1988, section 325F.665, by adding a subdivision.

PATRICK E. FLAHAVEN, Secretary of the Senate

CONCURRENCE AND REPASSAGE

Begich moved that the House concur in the Senate amendments to H. F. No. 321 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 321, A bill for an act relating to consumer protection; regulating new motor vehicle sales; limiting a dealer's liability due to the manufacturer's failure to repair, refund, or replace nonconforming vehicles; amending Minnesota Statutes 1988, section 325F.665, by adding a subdivision.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Forsythe	Kinkel	Olson, K.	Schafer
Anderson, G.	Frederick	Knickerbocker	Omman	Scheid
Anderson, R.	Frerichs	Kostohryz	Onnen	Seaberg
Battaglia	Girard	Krueger	Orenstein	Segal
Bauerly	Greenfield	Lasley	Osthoff	Simoneau
Beard	Gruenes	Lieder	Ostrom	Skoglund
Begich	Gutknecht	Limmer	Otis	Solberg
Bennett	Hartle	Long	Ozment	Stanius
Bertram	Hasskamp	Lynch	Pauly	Steensma
Bishop	Haukoos	Macklin	Pellow	Sviggum
Blatz	Heap	Marsh	Pelowski	Swenson
Boo	Henry	McDonald	Peterson	Tjornhom
Brown	Himle	McEachern	Poppenhagen	Tompkins
Burger	Hugoson	McGuire	Price	Trimble
Carlson, D.	Jacobs	McPherson	Pugh	Tunheim
Carlson, L.	Janezich	Milbert	Quinn	Uphus
Carruthers	Jaros	Miller	Redalen	Valento
Clark	Jefferson	Morrison	Reding	Vellenga
Conway	Jennings	Munger	Rest	Wagenius
Cooper	Johnson, A.	Murphy	Rice	Waltman
Dauner	Johnson, R.	Nelson, C.	Richter	Weaver
Dawkins	Johnson, V.	Nelson, K.	Rodosovich	Welle
Dempsey	Kalis	Neuenschwander	Rukavina	Wenzel
Dille	Kelly	Ogren	Runbeck	Williams
Dorn	Kelso	Olson, E.	Sarna	Winter
				Wynia
				Spk. Vanasek

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. 481, A bill for an act relating to the city of Mora; authorizing the city to negotiate certain contracts.

PATRICK E. FLAHAVEN, Secretary of the Senate

#### CONCURRENCE AND REPASSAGE

Peterson moved that the House concur in the Senate amendments to H. F. No. 481 and that the bill be repassed as amended by the Senate. The motion prevailed.

H. F. No. 481, A bill for an act relating to the city of Mora; authorizing the city to negotiate certain contracts without competitive bids.

The bill was read for the third time, as amended by the Senate, and placed upon its repassage.

The question was taken on the repassage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Jennings	McLaughlin	Pellow
Anderson, G.	Dempsey	Johnson, A.	McPherson	Pelowski
Anderson, R.	Dille	Johnson, R.	Milbert	Peterson
Battaglia	Dorn	Johnson, V.	Miller	Poppenhagen
Bauerly	Forsythe	Kalis	Morrison	Price
Beard	Frederick	Kelly	Munger	Pugh
Begich	Frerichs	Kelso	Murphy	Quinn
Bennett	Girard	Kinkel	Nelson, C.	Redalen
Bertram	Greenfield	Knickerbocker	Nelson, K.	Reding
Bishop	Gruenes	Kostohryz	Neuenschwander	Rest
Blatz	Gutknecht	Krueger	Ogren	Rice
Boo	Hartle	Lasley	Olson, E.	Richter
Brown	Hasskamp	Lieder	Olson, K.	Rodosovich
Burger	Haukoos	Limmer	Omann	Rukavina
Carlson, D.	Heap	Long	Onnen	Runbeck
Carlson, L.	Henry	Lynch	Orenstein	Sarna
Carruthers	Hugoson	Macklin	Osthoff	Schafer
Clark	Jacobs	Marsh	Ostrom	Scheid
Conway	Janezich	McDonald	Otis	Schreiber
Cooper	Jaros	McEachern	Ozment	Seaberg
Dauner	Jefferson	McGuire	Pauly	Segal

Simoneau	Steensma	Trimble	Wagenius	Williams
Skoglund	Sviggum	Tunheim	Waltman	Winter
Solberg	Swenson	Uphus	Weaver	Wynia
Sparby	Tjornhom	Valento	Welle	Spk. Vanasek
Stanius	Tompkins	Vellenga	Wenzel	

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. 911, 69 and 717.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 911, A bill for an act relating to counties; making explicit that the laws and rules that pertain to deputy registrars of motor vehicles also apply to county license bureaus; amending Minnesota Statutes 1988, section 373.35, subdivision 1.

The bill was read for the first time and referred to the Committee on Transportation.

S. F. No. 69, A bill for an act relating to education; requiring a school district to make reasonable efforts to accommodate a pupil who wishes to be absent from school for religious observances; proposing coding for new law in Minnesota Statutes, chapter 120.

The bill was read for the first time and referred to the Committee on Education.

S. F. No. 717, A bill for an act relating to financial institutions; permitting banks to perform clerical services at off-premises data processing and storage centers; proposing coding for new law in Minnesota Statutes, chapter 48.

The bill was read for the first time and referred to the Committee on Appropriations.

### CONSENT CALENDAR

H. F. No. 212, A bill for an act relating to the city of Hibbing; authorizing two additional on-sale liquor licenses.

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	Frederick	Kostohryz	Onnen	Segal
Anderson, G.	Frerichs	Krueger	Orenstein	Simoneau
Anderson, R.	Girard	Lasley	Osthoff	Skoglund
Battaglia	Greenfield	Lieder	Ostrom	Solberg
Bauerly	Gruenes	Limmer	Otis	Sparby
Beard	Gutknecht	Long	Ozment	Stanius
Begich	Hartle	Lynch	Pauly	Steensma
Bennett	Hasskamp	Macklin	Pellow	Sviggum
Bertram	Haukoos	Marsh	Pelowski	Swenson
Bishop	Heap	McDonald	Peterson	Tjornhom
Blatz	Henry	McEachern	Poppenhagen	Trimble
Boo	Himle	McGuire	Price	Tunheim
Brown	Hugoson	McLaughlin	Pugh	Uphus
Burger	Jacobs	McPherson	Quinn	Valento
Carlson, D.	Janezich	Milbert	Redalen	Vellenga
Carlson, L.	Jaros	Miller	Reding	Wagenius
Carruthers	Jefferson	Morrison	Rest	Waltman
Clark	Jennings	Munger	Richter	Weaver
Conway	Johnson, A.	Murphy	Rodosovich	Welle
Cooper	Johnson, R.	Nelson, C.	Rukavina	Wenzel
Dauner	Johnson, V.	Nelson, K.	Runbeck	Williams
Dawkins	Kalis	Neuenschwander	Sarna	Winter
Dempsey	Kelly	Ogren	Schafer	Wynia
Dille	Kelso	Olson, E.	Scheid	Spk. Vanasek
Dorn	Kinkel	Olson, K.	Schreiber	
Forsythe	Knickerbocker	Omann	Seaberg	

The bill was passed and its title agreed to.

H. F. No. 501, A bill for an act relating to education; vocational technical; allowing purchase of real property by independent school district No. 347.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Bishop	Conway	Frerichs	Henry
Anderson, G.	Blatz	Cooper	Girard	Himle
Anderson, R.	Boo	Dauner	Greenfield	Hugoson
Battaglia	Brown	Dawkins	Gruenes	Jacobs
Bauerly	Burger	Dempsey	Gutknecht	Janezich
Beard	Carlson, D.	Dille	Hartle	Jaros
Begich	Carlson, L.	Dorn	Hasskamp	Jefferson
Bennett	Carruthers	Forsythe	Haukoos	Jennings
Bertram	Clark	Frederick	Heap	Johnson, A.

Johnson, R.	McEachern	Orenstein	Richter	Swenson
Johnson, V.	McGuire	Osthoff	Rodosovich	Tjornhom
Kalis	McLaughlin	Ostrom	Rukavina	Tompkins
Kelly	McPherson	Otis	Runbeck	Trimble
Kelso	Milbert	Ozment	Sarna	Tunheim
Kinkel	Miller	Pauly	Schafer	Uphus
Knickerbocker	Morrison	Pellow	Scheid	Valento
Kostohryz	Munger	Pelowski	Schreiber	Vellenga
Krueger	Murphy	Peterson	Seaberg	Wagenius
Lasley	Nelson, C.	Poppenhagen	Segal	Waltman
Lieder	Nelson, K.	Price	Simoneau	Weaver
Limmer	Neuenschwander	Pugh	Skoglund	Welle
Long	Ogren	Quinn	Solberg	Wenzel
Lynch	Olson, E.	Redalen	Sparby	Williams
Macklin	Olson, K.	Reding	Stanius	Winter
Marsh	Omman	Rest	Steensma	Wynia
McDonald	Onnen	Rice	Swiggun	Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 740, A bill for an act relating to education; changing the name of technical institutes to technical colleges; amending Minnesota Statutes 1988, section 136C.02, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 3 nays as follows:

Those who voted in the affirmative were:

Abrams	Forsythe	Knickerbocker	Omman	Schreiber
Anderson, G.	Frederick	Kostohryz	Onnen	Seaberg
Anderson, R.	Girard	Krueger	Orenstein	Segal
Battaglia	Greenfield	Lasley	Ostrom	Simoneau
Bauerly	Gruenes	Limmer	Otis	Skoglund
Beard	Gutknecht	Long	Ozment	Solberg
Begich	Hartle	Lynch	Pauly	Sparby
Bennett	Hasskamp	Macklin	Pellow	Stanius
Bertram	Haukoos	Marsh	Pelowski	Steensma
Bishop	Heap	McDonald	Peterson	Swiggun
Blatz	Henry	McEachern	Poppenhagen	Swenson
Boo	Himle	McGuire	Price	Tjornhom
Brown	Hugoson	McLaughlin	Pugh	Tompkins
Burger	Jacobs	McPherson	Quinn	Trimble
Carlson, D.	Janezich	Milbert	Redalen	Tunheim
Carlson, L.	Jaros	Miller	Reding	Uphus
Carruthers	Jefferson	Morrison	Rest	Valento
Clark	Jennings	Munger	Rice	Vellenga
Conway	Johnson, A.	Murphy	Richter	Wagenius
Cooper	Johnson, R.	Nelson, C.	Rodosovich	Waltman
Dauner	Johnson, V.	Nelson, K.	Rukavina	Weaver
Dawkins	Kalis	Neuenschwander	Runbeck	Welle
Dempsey	Kelly	Ogren	Sarna	Wenzel
Dille	Kelso	Olson, E.	Schafer	Williams
Dorn	Kinkel	Olson, K.	Scheid	Winter
				Wynia

Those who voted in the negative were:

Frerichs            Osthoff            Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 832, A bill for an act relating to Ramsey county; authorizing the use of certain property for public purposes.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Krueger	Orenstein	Segal
Anderson, G.	Girard	Lasley	Osthoff	Simoneau
Anderson, R.	Greenfield	Lieder	Ostrom	Skoglund
Battaglia	Gruenes	Limmer	Otis	Solberg
Bauerly	Gutknecht	Long	Ozment	Sparby
Beard	Hartle	Lynch	Pauly	Stanius
Begich	Hasskamp	Macklin	Pellow	Steensma
Bennett	Haukoos	Marsh	Pelowski	Svigsum
Bertram	Heap	McDonald	Peterson	Swenson
Bishop	Henry	McEachern	Poppenhagen	Tjornhom
Blatz	Himle	McGuire	Price	Tompkins
Boo	Hugoson	McLaughlin	Pugh	Trimble
Burger	Jacobs	McPherson	Quinn	Tunheim
Carlson, D.	Janezich	Milbert	Redalen	Uphus
Carlson, L.	Jaros	Miller	Reding	Valento
Carruthers	Jefferson	Morrison	Rest	Vellenga
Clark	Jennings	Munger	Rice	Wagenius
Conway	Johnson, A.	Murphy	Richter	Waltman
Cooper	Johnson, R.	Nelson, C.	Rodosovich	Weaver
Dauner	Johnson, V.	Nelson, K.	Rukavina	Welle
Dawkins	Kalis	Neuenschwander	Runbeck	Wenzel
Dempsey	Kelly	Ogren	Sarna	Williams
Dille	Kelso	Olson, E.	Schafer	Winter
Dorn	Kinkel	Olson, K.	Scheid	Wynia
Forsythe	Knickerbocker	Omam	Schreiber	Spk. Vanasek
Frederick	Kostohryz	Onnen	Seaberg	

The bill was passed and its title agreed to.

H. F. No. 1061, A bill for an act relating to state lands; authorizing conveyance of surplus state real property to Leo A. Hoffmann Center, Inc.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kostohryz	Onnen	Seaberg
Anderson, G.	Frerichs	Krueger	Orenstein	Segal
Anderson, R.	Girard	Lasley	Osthoff	Simoneau
Battaglia	Greenfield	Lieder	Ostrom	Skoglund
Bauerly	Gruenes	Limmer	Otis	Solberg
Beard	Gutknecht	Long	Ozment	Sparby
Begich	Hartle	Lynch	Pauly	Stanius
Bennett	Hasskamp	Macklin	Pellow	Steensma
Bertram	Haukoos	Marsh	Pelowski	Swiggum
Bishop	Heap	McDonald	Peterson	Swenson
Blatz	Henry	McEachern	Poppenhagen	Tjornhom
Boo	Himle	McGuire	Price	Tompkins
Brown	Hugoson	McLaughlin	Pugh	Trimble
Burger	Jacobs	McPherson	Quinn	Tunheim
Carlson, D.	Janezich	Milbert	Redalen	Uphus
Carlson, L.	Jaros	Miller	Reding	Valento
Carruthers	Jefferson	Morrison	Rest	Vellenga
Clark	Jennings	Munger	Rice	Wagenius
Conway	Johnson, A.	Murphy	Richter	Waltman
Cooper	Johnson, R.	Nelson, C.	Rodosovich	Weaver
Dauner	Johnson, V.	Nelson, K.	Rukavina	Welle
Dawkins	Kalis	Neuenschwander	Runbeck	Wenzel
Dempsey	Kelly	Ogren	Sarna	Williams
Dille	Kelso	Olson, E.	Schafer	Winter
Dorn	Kinkel	Olson, K.	Schield	Wynia
Forsythe	Knickerbocker	Omann	Schreiber	Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 1216 was reported to the House.

Marsh moved that H. F. No. 1216 be continued on the Consent Calendar. The motion prevailed.

H. F. No. 1352, A bill for an act relating to intoxicating liquor; authorizing the city of Blaine to issue one additional on-sale license.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 127 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Boo	Dempsey	Hasskamp	Johnson, A.
Anderson, G.	Brown	Dille	Haukoos	Johnson, R.
Anderson, R.	Burger	Dorn	Heap	Johnson, V.
Battaglia	Carlson, D.	Forsythe	Henry	Kalis
Bauerly	Carlson, L.	Frederick	Himle	Kelly
Beard	Carruthers	Frerichs	Hugoson	Kelso
Begich	Clark	Girard	Jacobs	Kinkel
Bennett	Conway	Greenfield	Janezich	Knickerbocker
Bertram	Cooper	Gruenes	Jaros	Kostohryz
Bishop	Dauner	Gutknecht	Jefferson	Krueger
Blatz	Dawkins	Hartle	Jennings	Lasley

Lieder	Nelson, C.	Peterson	Scheid	Uphus
Limmer	Nelson, K.	Poppenhagen	Schreiber	Valento
Long	Neuenschwander	Price	Seaberg	Vellenga
Lynch	Ogren	Pugh	Segal	Wagenius
Macklin	Olson, K.	Quinn	Simoneau	Waltman
Marsh	Omann	Redalen	Solberg	Weaver
McEachern	Onnen	Reding	Sparby	Welle
McGuire	Orenstein	Rest	Stanius	Wenzel
McLaughlin	Osthoff	Rice	Steensma	Williams
McPherson	Ostrom	Richter	Swiggum	Winter
Milbert	Otis	Rodosovich	Swenson	Wynia
Miller	Ozment	Rukavina	Tjornhom	Spk. Vanasek
Morrison	Pauly	Runbeck	Tompkins	
Munger	Pellow	Sarna	Trimble	
Murphy	Pelowski	Schafer	Tunheim	

The bill was passed and its title agreed to.

H. F. No. 1421, A bill for an act relating to surplus United States government property; directing the commissioner of natural resources to seek acquisition of certain surplus property of the United States government; directing the commissioner to lease the property to a nonprofit organization for development as housing for certain homeless veterans and their families.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Krueger	Onnen	Seaberg
Anderson, G.	Girard	Lasley	Orenstein	Segal
Anderson, R.	Greenfield	Lieder	Osthoff	Simoneau
Battaglia	Gruenes	Limmer	Ostrom	Skoglund
Beard	Gutknecht	Long	Otis	Solberg
Begich	Hartle	Lynch	Ozment	Sparby
Bennett	Hasskamp	Macklin	Pauly	Stanius
Bertram	Haukoos	Marsh	Pellow	Steensma
Bishop	Heap	McDonald	Pelowski	Swiggum
Blatz	Henry	McEachern	Peterson	Swenson
Boo	Hugoson	McGuire	Poppenhagen	Tjornhom
Burger	Jacobs	McLaughlin	Price	Tompkins
Carlson, D.	Janezich	McPherson	Pugh	Trimble
Carlson, L.	Jaros	Milbert	Quinn	Tunheim
Carruthers	Jefferson	Miller	Redalen	Uphus
Clark	Jennings	Morrison	Reding	Valento
Conway	Johnson, A.	Munger	Rest	Vellenga
Cooper	Johnson, R.	Murphy	Rice	Wagenius
Dauner	Johnson, V.	Nelson, C.	Richter	Waltman
Dawkins	Kalis	Nelson, K.	Rodosovich	Weaver
Dempsey	Kelly	Neuenschwander	Rukavina	Welle
Dille	Kelso	Ogren	Sarna	Wenzel
Dorn	Kinkel	Olson, E.	Schafer	Williams
Forsythe	Knickerbocker	Olson, K.	Scheid	Winter
Frederick	Kostohryz	Omann	Schreiber	Wynia
				Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 1435, A bill for an act relating to liquor; authorizing issuance of a certain on-sale license in Todd 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 126 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Abrams	Forsythe	Kinkel	Olson, K.	Scheid
Anderson, G.	Frederick	Knickerbocker	Omann	Schreiber
Anderson, R.	Frerichs	Kostohryz	Onnen	Seaberg
Battaglia	Girard	Krueger	Orenstein	Segal
Bauerly	Greenfield	Lasley	Osthoff	Simoneau
Beard	Gruenes	Lieder	Ostrom	Solberg
Begich	Gutknecht	Limmer	Otis	Sparby
Bennett	Hartle	Long	Ozment	Stanius
Bertram	Hasskamp	Lynch	Pauly	Steensma
Bishop	Haukoos	Macklin	Pellow	Sviggum
Blatz	Heap	Marsh	Pelowski	Swenson
Boo	Henry	McDonald	Peterson	Tjornhom
Brown	Himle	McGuire	Poppenhagen	Tompkins
Burger	Hugoson	McLaughlin	Price	Trimble
Carlson, D.	Jacobs	McPherson	Pugh	Tunheim
Carlson, L.	Janezich	Milbert	Quinn	Uphus
Carruthers	Jaros	Miller	Redalen	Valento
Clark	Jefferson	Morrison	Reding	Wagenius
Conway	Jennings	Munger	Rest	Waltman
Cooper	Johnson, A.	Murphy	Rice	Weaver
Dauner	Johnson, R.	Nelson, C.	Richter	Welle
Dawkins	Johnson, V.	Nelson, K.	Rodosovich	Wenzel
Dempsey	Kalis	Neuenschwander	Rukavina	Williams
Dille	Kelly	Ogren	Sarna	Winter
Dorn	Kelso	Olson, E.	Schafer	Wynia
				Spk. Vanasek

Those who voted in the negative were:

McEachern      Vellenga

The bill was passed and its title agreed to.

H. F. No. 1456, A resolution memorializing the President, Congress, and the director of the United States General Services Administration to arrange for prompt lease of certain surplus United States government properties to a nonprofit organization for use as housing for homeless, near homeless, and displaced veterans and their families.

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	Frederick	Kostohryz	Orenstein	Segal
Anderson, G.	Frerichs	Krueger	Osthoff	Simoneau
Anderson, R.	Girard	Lasley	Ostrom	Skoglund
Battaglia	Greenfield	Lieder	Otis	Solberg
Bauerly	Gruenes	Limmer	Ozment	Sparby
Beard	Gutknecht	Long	Pauly	Stanius
Begich	Hartle	Lynch	Pellow	Steensma
Bennett	Hasskamp	Macklin	Pelowski	Sviggum
Bertram	Haukoos	Marsh	Peterson	Swenson
Bishop	Heap	McDonald	Poppenhagen	Tjornhom
Blatz	Henry	McEachern	Price	Tompkins
Boo	Himle	McGuire	Pugh	Trimble
Brown	Hugoson	McLaughlin	Quinn	Tunheim
Burger	Jacobs	McPherson	Redalen	Uphus
Carlson, D.	Janezich	Milbert	Reding	Valento
Carlson, L.	Jaros	Miller	Rest	Vellenga
Carruthers	Jefferson	Morrison	Rice	Wagenius
Clark	Jennings	Munger	Richter	Waltman
Conway	Johnson, A.	Murphy	Rodosovich	Weaver
Cooper	Johnson, R.	Nelson, C.	Rukavina	Welle
Dauner	Johnson, V.	Neuenschwander	Runbeck	Wenzel
Dawkins	Kalis	Ogren	Sarna	Williams
Dempsey	Kelly	Olson, E.	Schafer	Winter
Dille	Kelso	Olson, K.	Scheid	Wynia
Dorn	Kinkel	Omam	Schreiber	Spk. Vanasek
Forsythe	Knickerbocker	Onnen	Seaberg	

The bill was passed and its title agreed to.

S. F. No. 114, A bill for an act relating to the town of St. Augusta; authorizing the establishment of a detached banking facility under certain conditions.

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	Burger	Frederick	Jacobs	Kostohryz
Anderson, G.	Carlson, D.	Frerichs	Janezich	Krueger
Anderson, R.	Carlson, L.	Girard	Jaros	Lasley
Battaglia	Carruthers	Greenfield	Jefferson	Lieder
Bauerly	Clark	Gruenes	Jennings	Limmer
Beard	Conway	Gutknecht	Johnson, A.	Long
Begich	Cooper	Hartle	Johnson, R.	Lynch
Bennett	Dauner	Hasskamp	Johnson, V.	Macklin
Bertram	Dawkins	Haukoos	Kalis	Marsh
Bishop	Dempsey	Heap	Kelly	McDonald
Blatz	Dille	Henry	Kelso	McEachern
Boo	Dorn	Himle	Kinkel	McGuire
Brown	Forsythe	Hugoson	Knickerbocker	McLaughlin

McPherson	Onnen	Quinn	Seaberg	Uphus
Milbert	Orenstein	Redalen	Simoneau	Valento
Miller	Osthoff	Reding	Skoglund	Vellenga
Morrison	Ostrom	Rest	Solberg	Wagenius
Munger	Otis	Rice	Sparby	Waltman
Murphy	Ozment	Richter	Stanius	Weaver
Nelson, C.	Pauly	Rodosovich	Steensma	Welle
Nelson, K.	Pellow	Rukavina	Sviggun	Wenzel
Neuenschwander	Pelowski	Runbeck	Swenson	Williams
Ogren	Peterson	Sarna	Tjornhom	Winter
Olson, E.	Poppenhagen	Schafer	Tompkins	Wynia
Olson, K.	Price	Scheid	Trimble	Spk. Vanasek
Omann	Pugh	Schreiber	Tunheim	

The bill was passed and its title agreed to.

S. F. No. 203 was reported to the House.

Long moved to amend S. F. No. 203, as follows:

Page 1, line 10, before "The" insert "(a)"

Page 1, after line 19, insert:

"(b) The city of Minneapolis may issue an intoxicating liquor license to 510 Groveland Associates, a Minnesota cooperative, for use by a restaurant on the premises' owned by 510 Groveland Associates, notwithstanding limitations of law, or local ordinance, or charter provision."

Amend the title as follows:

Page 1, line 4, delete "and" and after "theatre" insert "; and a restaurant in the city"

The motion prevailed and the amendment was adopted.

S. F. No. 203, A bill for an act relating to intoxicating liquor; authorizing an on-sale liquor license for the Minneapolis convention center, the Orpheum Theatre, and the State Theatre; amending Minnesota Statutes 1988, section 340A.404, subdivision 2; repealing Laws 1973, chapter 505.

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 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Krueger	Osthoff	Simoneau
Anderson, G.	Girard	Lasley	Ostrom	Skoglund
Anderson, R.	Greenfield	Lieder	Otis	Solberg
Battaglia	Gruenes	Limmer	Ozment	Sparby
Bauerly	Gutknecht	Long	Pauly	Stanius
Beard	Hartle	Lynch	Pellow	Steensma
Begich	Hasskamp	Macklin	Pelowski	Sviggum
Bennett	Haukoos	Marsh	Peterson	Swenson
Bertram	Heap	McDonald	Poppenhagen	Tjornhom
Bishop	Henry	McEachern	Price	Tompkins
Blatz	Himle	McGuire	Pugh	Trimble
Boo	Hugoson	McLaughlin	Quinn	Tunheim
Brown	Jacobs	McPherson	Redalen	Uphus
Burger	Janezich	Milbert	Reding	Valento
Carlson, D.	Jaros	Miller	Rest	Vellenga
Carlson, L.	Jefferson	Morrison	Rice	Wagenius
Carruthers	Jennings	Munger	Richter	Waltman
Clark	Johnson, A.	Murphy	Rodosovich	Weaver
Conway	Johnson, R.	Nelson, C.	Rukavina	Welle
Cooper	Johnson, V.	Nelson, K.	Runbeck	Wenzel
Dauner	Kahis	Neuenschwander	Sarna	Williams
Dawkins	Kelly	Ogren	Schafer	Winter
Dille	Kelso	Olson, E.	Scheid	Wynia
Dorn	Kinkel	Olson, K.	Schreiber	Spk. Vanasek
Forsythe	Knickerbocker	Omann	Seaberg	
Frederick	Kostohryz	Orenstein	Segal	

Those who voted in the negative were:

Onnen

The bill was passed, as amended, and its title agreed to.

## CALENDAR

H. F. No. 245, A bill for an act relating to environment; exempting generators of small amounts of hazardous waste from administrative regulation; amending Minnesota Statutes 1988, section 116.07, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 131 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Bennett	Carlson, D.	Dawkins	Girard
Anderson, G.	Bertram	Carlson, L.	Dempsey	Greenfield
Anderson, R.	Bishop	Carruthers	Dille	Gruenes
Battaglia	Blatz	Clark	Dorn	Gutknecht
Bauerly	Boo	Conway	Forsythe	Hartle
Beard	Brown	Cooper	Frederick	Hasskamp
Begich	Burger	Dauner	Frerichs	Haukoos

Heap	Krueger	Nelson, K.	Quinn	Stanius
Henry	Lasley	Neuenschwander	Redalen	Steenasma
Himle	Lieder	Ogren	Reding	Sviggum
Hugoson	Limmer	Olson, E.	Rest	Swenson
Jacobs	Long	Olson, K.	Rice	Tjornhom
Janezich	Lynch	Omann	Richter	Tompkins
Jaros	Macklin	Onnen	Rodosovich	Trimble
Jefferson	Marsh	Orenstein	Rukavina	Tunheim
Jennings	McDonald	Osthoff	Runbeck	Uphus
Johnson, A.	McEachern	Ostrom	Sarna	Valento
Johnson, R.	McGuire	Otis	Schafer	Vellenga
Johnson, V.	McLaughlin	Ozment	Scheid	Wagenius
Kahn	McPherson	Pauly	Schreiber	Waltman
Kalis	Milbert	Pellow	Seaberg	Weaver
Kelly	Miller	Pelowski	Segal	Welle
Kelso	Morrison	Peterson	Simoneau	Wenzel
Kinkel	Munger	Poppenhagen	Skoglund	Williams
Knickerbocker	Murphy	Price	Solberg	Winter
Kostohryz	Nelson, C.	Pugh	Sparby	Wynia
				Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 493, A bill for an act relating to education; requiring a pupil to identify reasons for enrolling in a nonresident district under the enrollment options program; providing a resident district with notice of a pupil's participation under the program; restricting transfers; restricting participation in extracurricular varsity athletic activities in a nonresident district; amending Minnesota Statutes 1988, section 120.062, subdivisions 4, 6, 9, and by adding a subdivision; repealing Minnesota Statutes 1988, section 120.062, subdivision 8.

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 115 yeas and 15 nays as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Johnson, A.	McGuire	Pellow
Anderson, R.	Dorn	Johnson, R.	McLaughlin	Pelowski
Battaglia	Forsythe	Johnson, V.	McPherson	Peterson
Bauerly	Frederick	Kahn	Milbert	Poppenhagen
Beard	Frerichs	Kalis	Miller	Price
Begich	Greenfield	Kelly	Morrison	Pugh
Bennett	Gutknecht	Kinkel	Munger	Quinn
Bertram	Hartle	Knickerbocker	Nelson, C.	Redalen
Boo	Hasskamp	Kostohryz	Nelson, K.	Reding
Brown	Haukoos	Krueger	Neuenschwander	Rest
Burger	Heap	Lasley	Ogren	Rice
Carlson, D.	Henry	Lieder	Olson, E.	Richter
Carlson, L.	Hugoson	Limmer	Olson, K.	Rodosovich
Carruthers	Jacobs	Long	Omann	Rukavina
Clark	Janezich	Lynch	Orenstein	Runbeck
Conway	Jaros	Macklin	Otis	Sarna
Cooper	Jefferson	McDonald	Ozment	Schafer
Dauner	Jennings	McEachern	Pauly	Scheid

Seaberg	Sparby	Tjornhom	Valento	Welle
Segal	Stanius	Tompkins	Vellenga	Wenzel
Simoneau	Steenasma	Trimble	Wagenius	Williams
Skoglund	Sviggum	Tunheim	Waltman	Winter
Solberg	Swenson	Uphus	Weaver	Spk. Vanasek

Those who voted in the negative were:

Anderson, G.	Dille	Himle	Murphy	Ostrom
Blatz	Girard	Kelso	Onnen	Schreiber
Dempsey	Gruenes	Marsh	Osthoff	Wynia

The bill was passed and its title agreed to.

H. F. No. 529, A bill for an act relating to local government; permitting counties, cities, and towns to contribute to certain hospitals; amending Minnesota Statutes 1988, section 376.09; proposing coding for new law in Minnesota Statutes, chapter 465.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 126 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Forsythe	Kostohryz	Omann	Scheid
Anderson, G.	Frederick	Krueger	Onnen	Seaberg
Anderson, R.	Frerichs	Lasley	Orenstein	Segal
Battaglia	Girard	Lieder	Osthoff	Simoneau
Bauerly	Greenfield	Limmer	Ostrom	Skoglund
Beard	Gruenes	Long	Otis	Solberg
Begich	Gutknecht	Lynch	Ozment	Sparby
Bennett	Hartle	Macklin	Pauly	Stanius
Bertram	Hasskamp	Marsh	Pellow	Steenasma
Bishop	Haukoos	McDonald	Pelowski	Sviggum
Blatz	Heap	McEachern	Peterson	Swenson
Boo	Henry	McGuire	Poppenhagen	Tjornhom
Brown	Himle	McLaughlin	Price	Tompkins
Burger	Hugoson	McPherson	Pugh	Trimble
Carlson, D.	Jacobs	Milbert	Quinn	Tunheim
Carlson, L.	Janezich	Miller	Redalen	Uphus
Carruthers	Jaros	Morrison	Reding	Valento
Clark	Jennings	Munger	Rest	Vellenga
Conway	Johnson, A.	Murphy	Rice	Wagenius
Cooper	Johnson, R.	Nelson, C.	Richter	Waltman
Dauner	Johnson, V.	Nelson, K.	Rodosovich	Weaver
Dawkins	Kalis	Neuenschwander	Rukavina	Welle
Dempsey	Kelly	Ogren	Runbeck	Wenzel
Dille	Kinkel	Olson, E.	Sarna	Winter
Dorn	Knickerbocker	Olson, K.	Schafer	Wynia
				Spk. Vanasek

The bill was passed and its title agreed to.

Long and McDonald were excused for the remainder of today's session.

## GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Vanasek in the Chair for consideration of bills pending on General Orders of the day. Anderson, G., and Simoneau presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 593, 989, 1014, 1117, 269, 627, 736, 945 and 951 were recommended to pass.

S. F. Nos. 382 and 831 were recommended to pass.

H. F. No. 956 which it recommended to pass with the following amendment offered by Carruthers:

Page 3, line 20, delete everything after "effective" and insert "August 1, 1989, for all contracts issued, renewed, or in effect on or after that date."

Page 3, delete lines 21 and 22

S. F. No. 916 which it recommended to pass with the following amendment offered by McGuire:

Page 1, line 22, after "(2)" delete "an estimate of"

Page 1, line 24, after "(3)" delete "an estimate of"

Page 2, after line 10, insert:

"Subd. 4. [ANNUAL NOTICE TO PROPERTY OWNER.] If a contract is for more than one year, then the commercial application company shall each year provide written notice to the property owner that the contract remains in effect and that landscape applications will resume according to the terms of the contract. The written notice must be provided to the property owner at least 15 days prior to the first landscape application of the year."

Page 2, line 25, after "or" delete "commodities" and insert "any commodity"

Re-number the subdivisions in Section 1 accordingly

H. F. No. 1155, the first engrossment, which it recommended to pass with the following amendments:

Offered by Skoglund:

Page 3, line 10, delete "or misconduct"

Page 3, line 11, before the period insert "of ethical standards established by the insurer for the protection of its insureds" and delete "and requirements"

Page 3, line 12, before the period insert "must apply to all agents, and must not contravene state law or rule"

Offered by Skoglund:

Page 20, line 4, delete "for each policy period" and insert "for the current policy period and for the two policy periods preceding the current one"

Page 20, after line 12, insert:

"Loss experience for additional years must be provided only if the insured makes a written request for information that is required by another insurer with whom the insured has applied for coverage."

Offered by Scheid:

Page 21, line 11, strike "designate, endorse, or otherwise"

Page 21, line 12, strike "promote" and before "a" insert "cause"

Page 21, line 15, strike "as" and insert "to be"

Page 21, line 19, after "policy" insert "unless the policyholder and the representative of a deceased policyholder remain free to choose a different provider of funeral or burial services or supplies at any time before the services or supplies are provided. The right to choose a different provider must be disclosed in writing to the purchaser of the policy" and delete "No insurance company or"

Page 21, delete lines 20 to 26

Page 22, after line 12, insert:

"Except as specifically provided in this section, this section does not affect the rights a policyholder would otherwise have under a policy."

Offered by McPherson:

Page 20, line 20, after "solicit" delete "or sell"

S. F. No. 163 which it recommended to pass with the following amendment offered by Bauerly:

Page 5, after line 9, insert:

"Subd. 4a. [REAR-END PROTECTION FOR OTHER VEHICLES.] Vehicles other than private passenger vehicles, collector vehicles, collector military vehicles, and other vehicles specifically exempted by law from such requirements must meet the rear-end protection requirements of federal motor carrier regulations, Code of Federal Regulations, title 49, section 393.86."

Page 5, after line 11, insert:

"Sec. 5. Minnesota Statutes 1988, section 299A.12, is amended to read:

299A.12 [WHEELCHAIR SECUREMENT DEVICES.]

Subdivision 1. Any vehicle used by an operator to provide transportation service shall be equipped with wheelchair securement devices which are approved by the commissioner of public safety as meeting the specifications of ~~this subdivision~~ subdivisions 1 and 2. A wheelchair securement device shall prevent any forward, backward or lateral movement of an occupied wheelchair when the device is engaged and the vehicle is in motion, accelerating or braking, and shall attach to the frame of the wheelchair without damaging it. Wheelchair securement devices installed in any vehicle shall be maintained in working order.

Subd. 2. The strength requirements for securing the part of a wheelchair that is forward in the vehicle shall be one half of those required for the rear. Where the wheelchair securement device and the seat belt are combined in a common system, those parts which provide the combined restraining force shall have a combined strength of both according to the strength requirements of each as adopted by the commissioner of public safety.

Subd. 3. A vehicle used to provide transportation service shall carry only as many persons seated in wheelchairs as the number of securement devices approved by the commissioner of public safety as meeting the specifications of ~~subdivision~~ subdivisions 1 and 2 with which the vehicle is equipped, and each occupied wheelchair shall be secured by such a securement device before the vehicle is set in motion.

Sec. 6. Minnesota Statutes 1988, section 299A.13, subdivision 1, is amended to read:

Subdivision 1. Any vehicle used to provide transportation service shall be equipped with seat belts which are approved by the commissioner of public safety. The seat belts required by this subdivision shall be adequate to secure the occupant of a wheelchair who is being transported by the vehicle. These seat belts shall be used only to secure the person and shall not be used to secure the wheelchair unless the wheelchair securement force is not cumulative to the seat belt. The seat belts shall meet all other applicable state and federal requirements for safety."

Amend the title as follows:

Page 1, line 7, before the semicolon insert "and rear-end protection for other vehicles"

Page 1, line 7, after the semicolon insert "providing for strength requirements of wheelchair securement devices;"

Page 1, line 9, delete the second "and"

Page 1, line 10, after "169.73" insert "; 299A.12; and 299A.13, subdivision 1"

On the motion of Wynia the report of the Committee of the Whole was adopted.

## MOTIONS AND RESOLUTIONS

Jaros moved that the name of Onnen be stricken and the name of Gutknecht be added as an author on H. F. No. 236. The motion prevailed.

Dempsey moved that the name of Valento be stricken and the name of Simoneau be added as an author on H. F. No. 762. The motion prevailed.

Bishop moved that the name of Rest be stricken and the name of

McGuire be added as an author on H. F. No. 941. The motion prevailed.

Vellenga moved that the name of McDonald be added as an author on H. F. No. 1148. The motion prevailed.

Olsen, S., moved that the name of McGuire be stricken as an author on H. F. No. 1301. The motion prevailed.

Greenfield moved that the names of Nelson, C.; Dauner and Bishop be added as authors on H. F. No. 1487. The motion prevailed.

Anderson, G., moved that the name of Uphus be added as an author on H. F. No. 1552. The motion prevailed.

Jacobs moved that H. F. No. 1356 be recalled from the Committee on Local Government and Metropolitan Affairs and be re-referred to the Committee on Taxes. The motion prevailed.

Scheid moved that H. F. No. 1290, now on Technical General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

Omann moved that H. F. No. 1590 be recalled from the Committee on Governmental Operations and be re-referred to the Committee on Environment and Natural Resources. The motion prevailed.

Trimble moved that H. F. No. 144 be recalled from the Committee on Education and be re-referred to the Committee on Taxes. The motion prevailed.

Dorn moved that H. F. No. 1309 be recalled from the Committee on Education and be re-referred to the Committee on Appropriations. The motion prevailed.

Blatz moved that H. F. No. 198 be recalled from the Committee on Health and Human Services and be re-referred to the Committee on Judiciary. The motion prevailed.

Clark moved that H. F. No. 1591 be recalled from the Committee on Transportation and be re-referred to the Committee on Labor-Management Relations. The motion prevailed.

#### ADJOURNMENT

Wynia moved that when the House adjourns today it adjourn until 2:30 p.m., Wednesday, April 12, 1989. The motion prevailed.

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Wednesday, April 12, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives



## STATE OF MINNESOTA

## SEVENTY-SIXTH SESSION—1989

## THIRTIETH DAY

SAINT PAUL, MINNESOTA, WEDNESDAY, APRIL 12, 1989

The House of Representatives convened at 2:30 p.m. and was called to order by Robert E. Vanasek, Speaker of the House.

Prayer was offered by Monsignor James D. Habiger, House Chaplain.

The roll was called and the following members were present:

Abrams	Girard	Lieder	Osthoff	Simoneau
Anderson, G.	Gruenes	Limmer	Ostrom	Skoglund
Anderson, R.	Gutknecht	Long	Otis	Solberg
Battaglia	Hartle	Lynch	Ozment	Sparby
Bauerly	Hasskamp	Macklin	Pappas	Stanius
Beard	Haukoos	Marsh	Pauly	Steensma
Begich	Heap	McDonald	Pellow	Sviggum
Bennett	Henry	McEachern	Pelowski	Swenson
Bertram	Himle	McGuire	Peterson	Tjornhom
Bishop	Hugoson	McLaughlin	Poppenhagen	Tompkins
Blatz	Jacobs	McPherson	Price	Trimble
Boo	Janezich	Milbert	Pugh	Tunheim
Brown	Jaros	Miller	Quinn	Uphus
Burger	Jefferson	Morrison	Redalen	Valento
Carlson, D.	Jennings	Munger	Reding	Vellenga
Carlson, L.	Johnson, A.	Murphy	Rest	Wagenius
Carruthers	Johnson, R.	Nelson, C.	Rice	Waltman
Clark	Johnson, V.	Nelson, K.	Richter	Weaver
Conway	Kahn	Neuenschwander	Rodosovich	Welle
Cooper	Kalis	O'Connor	Rukavina	Wenzel
Dauner	Kelly	Ogren	Runbeck	Williams
Dawkins	Kelso	Olsen, S.	Sarna	Winter
Dempsey	Kinkel	Olsen, E.	Schafer	Wynia
Dorn	Krickbocker	Olson, K.	Scheid	Spk. Vanasek
Forsythe	Kostohryz	Omann	Schreiber	
Frederick	Krueger	Onnen	Seaberg	
Frerichs	Lasley	Orenstein	Segal	

A quorum was present.

Dille was excused until 3:05 p.m. Greenfield was excused until 3:30 p.m.

The Chief Clerk proceeded to read the Journal of the preceding day. Kelly 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

Pursuant to Rules of the House, printed copies of H. F. Nos. 400, 660, 843, 1160, 1351, 1411, 1447, 1517, 13, 386, 655, 796, 812, 881, 895, 1149, 1225, 1287, 956 and 1155 and S. F. Nos. 911, 69, 717, 478, 916 and 163 have been placed in the members' files.

#### PETITIONS AND COMMUNICATIONS

The following communications were received:

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
ST. PAUL 55155

April 6, 1989

The Honorable Robert E. Vanasek  
Speaker of the House of Representatives  
The State of Minnesota

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 410, relating to public safety; defining high pressure piping; regulating the practice of pipefitting.

H. F. No. 897, relating to local government; clarifying certain procedures for adoption of town optional plans of government.

H. F. No. 210, relating to counties; permitting counties to rent county-owned residences by less formal procedure.

Sincerely,

RUDY PERPICH  
Governor

30th Day]

WEDNESDAY, APRIL 12, 1989

1941

STATE OF MINNESOTA  
OFFICE OF THE SECRETARY OF STATE  
ST. PAUL 55155

The Honorable Robert E. Vanasek  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1989 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F. No.</i>	<i>H.F. No.</i>	<i>Session Laws Chapter No.</i>	<i>Time and Date Approved 1989</i>	<i>Date Filed 1989</i>
	410	22	8:32-April 6	April 6
	897	24	8:35-April 6	April 6
	210	26	8:40-April 6	April 6
686		Resolution No. 2	April 6	April 6

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
ST. PAUL 55155

April 7, 1989

The Honorable Robert E. Vanasek  
Speaker of the House of Representatives  
The State of Minnesota

Dear Sir:

I have the honor of informing you that I have received, approved, signed and deposited in the Office of the Secretary of State the following House File:

H. F. No. 323, relating to commerce; regulating motor vehicle sales

and distribution; determining reasonable compensation for warranty services performed by dealers.

Sincerely,

RUDY PERPICH  
Governor

STATE OF MINNESOTA  
OFFICE OF THE SECRETARY OF STATE  
ST. PAUL 55155

The Honorable Robert E. Vanasek  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1989 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

<i>S.F.</i>	<i>H.F.</i>	<i>Session Laws</i>	<i>Time and</i>	<i>Date Filed</i>
<i>No.</i>	<i>No.</i>	<i>Chapter No.</i>	<i>Date Approved</i>	<i>1989</i>
286		23	8:41-April 7	April 7
	323	25	8:40-April 7	April 7

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

STATE OF MINNESOTA  
OFFICE OF THE GOVERNOR  
ST. PAUL 55155

April 7, 1989

The Honorable Robert E. Vanasek  
Speaker of the House of Representatives  
The State of Minnesota

Dear Sir:

I have the honor of informing you that I have received, approved,

signed and deposited in the Office of the Secretary of State the following House Files:

H. F. No. 68, relating to taxation; making technical corrections to the property taxation of unmined iron ore; making technical corrections and clarifications to the corporate franchise tax; retroactively providing a corporate franchise tax modification for mining income or gains; clarifying the computation of mining occupation taxes; exempting S corporations from business activity report filing requirements; repealing an obsolete reference.

H. F. No. 214, relating to taxation; making technical corrections and clarifications to individual income and corporate franchise taxes; updating references to the Internal Revenue Code; imposing a tax and providing for withholding of certain payments to nonresidents; requiring surety payment by out-of-state contractors.

Sincerely,

RUDY PERPICH  
Governor

STATE OF MINNESOTA  
OFFICE OF THE SECRETARY OF STATE  
ST. PAUL 55155

The Honorable Robert E. Vanasek  
Speaker of the House of Representatives

The Honorable Jerome M. Hughes  
President of the Senate

I have the honor to inform you that the following enrolled Acts of the 1989 Session of the State Legislature have been received from the Office of the Governor and are deposited in the Office of the Secretary of State for preservation, pursuant to the State Constitution, Article IV, Section 23:

S.F. No.	H.F. No.	Session Laws Chapter No.	Time and	
			Date Approved	Date Filed
	68	27	16:54-April 7	1989 April 7
	214	28	16:55-April 7	1989 April 7

Sincerely,

JOAN ANDERSON GROWE  
Secretary of State

## REPORTS OF STANDING COMMITTEES

Long from the Committee on Taxes to which was referred:

H. F. No. 65, A bill for an act relating to economic development; authorizing local jurisdictions involved in economic development to participate in secondary markets; proposing coding for new law in Minnesota Statutes, chapter 465.

Reported the same back with the following amendments:

Page 1, delete lines 9 to 13.

Page 1, line 14, before "municipality" insert:

"(a) A"

Page 1, line 20, after the period insert:

"(b) Sales under this section must be made through arrangements whereby the ultimate sale of the instrument is to be made as part of a pool of instruments on behalf of one or more other municipalities, port authorities, housing and redevelopment authorities, or rural development finance authorities (other than a port authority or housing and redevelopment authority located wholly or partly within the municipality). The restrictions of the previous sentence do not apply if the sale is a public sale or if the proposed sale is submitted to and approved in writing by the commissioner of commerce. The commissioner shall review the proposed sale to determine if the agreed upon price adequately compensates the municipality, given the maturity, risk and yield of the instrument. If a proposed sale is submitted to the commissioner of commerce and the sale is not disapproved by the commissioner within 30 days, the sale is deemed approved. The restrictions contained in this paragraph apply to sales made under sections 469.059, subdivision 17; 469.101, subdivision 22; and 469.146, subdivision 3.

"(c) This section does not apply to an obligation to make payments to the municipality, if the underlying obligation arose out of a transaction in which the proceeds of the loan were financed, directly or indirectly, by revenues derived from tax increments."

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 110, A bill for an act relating to metropolitan government; prescribing the term of the chair of the metropolitan council; amending Minnesota Statutes 1988, section 473.123, subdivisions 2a and 4.

Reported the same back with the following amendments:

Page 2, line 26, delete "are effective for the term beginning"

Page 2, line 27, delete "January 1991 and" and insert "apply on the effective date of this act so that the term of the chair expires in January 1991. Sections 1 and 2"

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 116, A bill for an act relating to child abuse reporting; defining "physical abuse" to include use of a controlled substance by a pregnant woman; amending Minnesota Statutes 1988, section 626.556, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 253B.02, subdivision 2, is amended to read:

Subd. 2. [CHEMICALLY DEPENDENT PERSON.] "Chemically dependent person" means any person (a) determined as being incapable of self-management or management of personal affairs by reason of the habitual and excessive use of alcohol or drugs; and (b) whose recent conduct as a result of habitual and excessive use of alcohol or drugs poses a substantial likelihood of physical harm to self or others as demonstrated by (i) a recent attempt or threat to physically harm self or others, (ii) evidence of recent serious physical problems, or (iii) a failure to obtain necessary food, clothing, shelter, or medical care. "Chemically dependent person" also means, in the case of a pregnant woman, one who during the time between 24 weeks of gestation and delivery, has used cocaine or has engaged in habitual and excessive use of any other controlled substance for a nonmedical purpose.

For purposes of this subdivision:

(1) "cocaine" means any controlled substance described in section 152.02, subdivision 3, paragraph (1), clause (d); and

(2) "controlled substance" has the definition given in section 152.01, subdivision 4.

Sec. 2. Minnesota Statutes 1988, section 253B.02, subdivision 10, is amended to read:

Subd. 10. [INTERESTED PERSON.] "Interested person" means an adult, including but not limited to, a public official, including a local social service agency acting pursuant to section 5, and the legal guardian, spouse, parent, legal counsel, adult child, next of kin, or other person designated by a proposed patient.

Sec. 3. Minnesota Statutes 1988, section 626.556, subdivision 2, is amended to read:

Subd. 2. [DEFINITIONS.] As used in this section, the following terms have the meanings given them unless the specific content indicates otherwise:

(a) "Sexual abuse" means the subjection by a person responsible for the child's care, or by a person in a position of authority, as defined in section 609.341, subdivision 10, to any act which constitutes a violation of section 609.342, 609.343, 609.344, or 609.345. Sexual abuse also includes any act which involves a minor which constitutes a violation of sections 609.321 to 609.324 or 617.246.

(b) "Person responsible for the child's care" means (1) an individual functioning within the family unit and having responsibilities for the care of the child such as a parent, guardian, or other person having similar care responsibilities, or (2) an individual functioning outside the family unit and having responsibilities for the care of the child such as a teacher, school administrator, or other lawful custodian of a child having either full-time or short-term care responsibilities including, but not limited to, day care, babysitting whether paid or unpaid, counseling, teaching, and coaching.

(c) "Neglect" means failure by a person responsible for a child's care to supply a child with necessary food, clothing, shelter or medical care when reasonably able to do so or failure to protect a child from conditions or actions which imminently and seriously endanger the child's physical or mental health when reasonably able to do so. Nothing in this section shall be construed to (1) mean that a child is neglected solely because the child's parent, guardian, or other person responsible for the child's care in good faith selects and depends upon spiritual means or prayer for treatment or care of

disease or remedial care of the child, or (2) impose upon persons, not otherwise legally responsible for providing a child with necessary food, clothing, shelter, or medical care, a duty to provide that care. Neglect also means "medical neglect" as defined in section 260.015, subdivision 10 2a, clause (e) (5).

(d) "Physical abuse" means any physical injury inflicted by a person responsible for the child's care on a child other than by accidental means, or any physical injury that cannot reasonably be explained by the child's history of injuries, or any aversive and deprivation procedures that have not been authorized under section 245.825.

(e) "Report" means any report received by the local welfare agency, police department, or county sheriff pursuant to this section.

(f) "Facility" means a day care facility, residential facility, agency, hospital, sanitarium, or other facility or institution required to be licensed pursuant to sections 144.50 to 144.58, 241.021, or 245.781 to 245.812.

(g) "Operator" means an operator or agency as defined in section 245A.02.

(h) "Commissioner" means the commissioner of human services.

(i) "Assessment" includes authority to interview the child, the person or persons responsible for the child's care, the alleged perpetrator, and any other person with knowledge of the abuse or neglect for the purpose of gathering the facts, assessing the risk to the child, and formulating a plan.

(j) "Practice of social services," for the purposes of subdivision 3, includes but is not limited to employee assistance counseling and the provision of guardian ad litem services.

(k) "Controlled substance" has the definition given in section 152.01, subdivision 4.

Sec. 4. Minnesota Statutes 1988, section 626.556, subdivision 3, is amended to read:

Subd. 3. [PERSONS MANDATED TO REPORT.] (a) A person who knows or has reason to believe a child is being neglected or physically or sexually abused, or has been neglected or physically or sexually abused within the preceding three years, or who knows or has reason to believe that a pregnant woman has used a controlled substance for a nonmedical purpose, shall immediately report the information to the local welfare agency, police department, or the county sheriff if the person is:

(1) a professional or professional's delegate who is engaged in the practice of the healing arts, social services, hospital administration, psychological or psychiatric treatment, child care, education, or law enforcement; or

(2) employed as a member of the clergy and received the information while engaged in ministerial duties, provided that a member of the clergy is not required by this subdivision to report information that is otherwise privileged under section 595.02, subdivision 1, paragraph (c).

The police department or the county sheriff, upon receiving a report, shall immediately notify the local welfare agency orally and in writing. The local welfare agency, upon receiving a report, shall immediately notify the local police department or the county sheriff orally and in writing. The county sheriff and the head of every local welfare agency and police department shall each designate a person within their agency, department, or office who is responsible for ensuring that the notification duties of this paragraph and paragraph (b) are carried out. Nothing in this subdivision shall be construed to require more than one report from any institution, facility, school, or agency.

(b) Any person may voluntarily report to the local welfare agency, police department, or the county sheriff if the person knows, has reason to believe, or suspects a child is being or has been neglected or subjected to physical or sexual abuse. The police department or the county sheriff, upon receiving a report, shall immediately notify the local welfare agency orally and in writing. The local welfare agency, upon receiving a report, shall immediately notify the local police department or the county sheriff orally and in writing.

(c) A person mandated to report physical or sexual child abuse or neglect occurring within a licensed facility shall report the information to the agency responsible for licensing the facility. A health or corrections agency receiving a report may request the local welfare agency to provide assistance pursuant to subdivisions 10, 10a, and 10b.

(d) Any person mandated to report shall, upon request to the local welfare agency, receive a summary of the disposition of any report made by that reporter, unless release would be detrimental to the best interests of the child. Any person who is not mandated to report shall, upon request to the local welfare agency, receive a concise summary of the disposition of any report made by that reporter, unless release would be detrimental to the best interests of the child.

(e) For purposes of this subdivision, "immediately" means as soon as possible but in no event longer than 24 hours.

Sec. 5. Minnesota Statutes 1988, section 626.556, subdivision 10, is amended to read:

Subd. 10. [DUTIES OF LOCAL WELFARE SOCIAL SERVICE AGENCY AND LOCAL LAW ENFORCEMENT AGENCY UPON RECEIPT OF A ON RECEIVING AN ABUSE REPORT; DUTIES OF LOCAL SOCIAL SERVICE AGENCY ON RECEIVING A PRENATAL CONTROLLED SUBSTANCE REPORT.] (a) If the report alleges a pregnant woman's use of a controlled substance for a nonmedical purpose, the local welfare agency shall immediately conduct an appropriate assessment and offer services indicated under the circumstances, including but not limited to, a referral for chemical dependency assessment, chemical dependency treatment if recommended, prenatal care, and any action under chapter 253B that is appropriate under the circumstances. An action under section 253B.05 shall be brought if a pregnant woman after 24 weeks of gestation refuses recommended voluntary services or fails recommended treatment. If the report alleges neglect, physical abuse, or sexual abuse by a parent, guardian, or individual functioning within the family unit as a person responsible for the child's care, the local welfare agency shall immediately conduct an assessment and offer protective social services for purposes of preventing further abuses, safeguarding and enhancing the welfare of the abused or neglected minor, and preserving family life whenever possible. If the report alleges a violation of a criminal statute involving sexual abuse or physical abuse, the local law enforcement agency and local welfare agency shall coordinate the planning and execution of their respective investigation and assessment efforts to avoid a duplication of fact-finding efforts and multiple interviews. Each agency shall prepare a separate report of the results of its investigation. When necessary the local welfare agency shall seek authority to remove the child from the custody of a parent, guardian, or adult with whom the child is living. In performing any of these duties, the local welfare agency shall maintain appropriate records.

(b) When a local agency receives a report or otherwise has information indicating that a child who is a client, as defined in section 245.91, has been the subject of physical abuse or neglect at an agency, facility, or program as defined in section 245.91, it shall, in addition to its other duties under this section, immediately inform the ombudsman established under sections 245.91 to 245.97.

(c) Authority of the local welfare agency responsible for assessing the child abuse report and of the local law enforcement agency for investigating the alleged abuse includes, but is not limited to, authority to interview, without parental consent, the alleged victim and any other minors who currently reside with or who have resided with the alleged perpetrator. The interview may take place at school or at any facility or other place where the alleged victim or other minors might be found and may take place outside the presence of the perpetrator or parent, legal custodian, guardian, or school

official. Except as provided in this paragraph, the parent, legal custodian, or guardian shall be notified by the responsible local welfare or law enforcement agency no later than the conclusion of the investigation or assessment that this interview has occurred. Notwithstanding rule 49.02 of the Minnesota rules of procedure for juvenile courts, the juvenile court may, after hearing on an ex parte motion by the local welfare agency, order that, where reasonable cause exists, the agency withhold notification of this interview from the parent, legal custodian, or guardian. If the interview took place or is to take place on school property, the order shall specify that school officials may not disclose to the parent, legal custodian, or guardian the contents of the notification of intent to interview the child on school property, as provided under this paragraph, and any other related information regarding the interview that may be a part of the child's school record. A copy of the order shall be sent by the local welfare or law enforcement agency to the appropriate school official.

(d) When the local welfare or local law enforcement agency determines that an interview should take place on school property, written notification of intent to interview the child on school property must be received by school officials prior to the interview. The notification shall include the name of the child to be interviewed, the purpose of the interview, and a reference to the statutory authority to conduct an interview on school property. For interviews conducted by the local welfare agency, the notification shall be signed by the chair of the county welfare board or the chair's designee. The notification shall be private data on individuals subject to the provisions of this paragraph. School officials may not disclose to the parent, legal custodian, or guardian the contents of the notification or any other related information regarding the interview until notified in writing by the local welfare or law enforcement agency that the investigation or assessment has been concluded. Until that time, the local welfare or law enforcement agency shall be solely responsible for any disclosures regarding the nature of the assessment or investigation.

Except where the alleged perpetrator is believed to be a school official or employee, the time and place, and manner of the interview on school premises shall be within the discretion of school officials, but the local welfare or law enforcement agency shall have the exclusive authority to determine who may attend the interview. The conditions as to time, place, and manner of the interview set by the school officials shall be reasonable and the interview shall be conducted not more than 24 hours after the receipt of the notification unless another time is considered necessary by agreement between the school officials and the local welfare or law enforcement agency. Where the school fails to comply with the provisions of this paragraph, the juvenile court may order the school to comply. Every effort must be made to reduce the disruption of the educational

program of the child, other students, or school staff when an interview is conducted on school premises.

(e) Where the perpetrator or a person responsible for the care of the alleged victim or other minor prevents access to the victim or other minor by the local welfare agency, the juvenile court may order the parents, legal custodian, or guardian to produce the alleged victim or other minor for questioning by the local welfare agency or the local law enforcement agency outside the presence of the perpetrator or any person responsible for the child's care at reasonable places and times as specified by court order.

(f) Before making an order under paragraph (d), the court shall issue an order to show cause, either upon its own motion or upon a verified petition, specifying the basis for the requested interviews and fixing the time and place of the hearing. The order to show cause shall be served personally and shall be heard in the same manner as provided in other cases in the juvenile court. The court shall consider the need for appointment of a guardian ad litem to protect the best interests of the child. If appointed, the guardian ad litem shall be present at the hearing on the order to show cause.

(g) The commissioner, the ombudsman for mental health and mental retardation, the local welfare agencies responsible for investigating reports, and the local law enforcement agencies have the right to enter facilities as defined in subdivision 2 and to inspect and copy the facility's records, including medical records, as part of the investigation. Notwithstanding the provisions of chapter 13, they also have the right to inform the facility under investigation that they are conducting an investigation, to disclose to the facility the names of the individuals under investigation for abusing or neglecting a child, and to provide the facility with a copy of the report and the investigative findings.

#### Sec. 6. [626.5561] [PRENATAL TOXICOLOGY TESTS.]

Subdivision 1. [NOTICE; TEST; REPORT.] A physician shall obtain from each patient who seeks prenatal obstetrical care a signed statement indicating whether or not the patient consents to toxicology tests for the purpose of determining whether the patient has ingested a controlled substance for a nonmedical purpose. If the patient consents to such toxicology tests, and the results of a test are positive, the physician shall report the results under section 626.556, subdivision 3, clause (a). A negative test result does not eliminate the obligation to report, if other evidence gives the physician reason to believe that the patient has used a controlled substance for a nonmedical purpose.

Subd. 2. [TEST; REPORT.] Even if a patient has not consented to toxicology tests for use of a controlled substance pursuant to subdivision 1, during the time between 24 weeks of gestation and

delivery, a physician shall administer a toxicology test to her to determine whether there is evidence that she has ingested a controlled substance for a nonmedical purpose if she has obstetrical complications that are a medical indication of possible use of a controlled substance for a nonmedical purpose. If the results are positive, the physician shall report the results under section 626.556, subdivision 3, clause (a). A negative test result does not eliminate the obligation to report if other evidence gives the physician reason to believe that the patient has used a controlled substance for a nonmedical purpose.

Subd. 3. [IMMUNITY FROM LIABILITY.] Any physician or other medical personnel administering a toxicology test to determine the presence of a controlled substance in a pregnant woman pursuant to this section is immune from civil or criminal liability, if the physician ordering the test believes in good faith that the test is authorized by subdivision 1 or required by subdivision 2, and the test is administered in accordance with an established protocol and reasonable medical practice.

Subd. 4. [DEFINITION.] For purposes of this section, "controlled substance" has the meaning given in section 152.01, subdivision 4.

Subd. 5. [RELIABILITY OF TESTS.] A physician may not report a positive test result under this section unless the test has been verified by a confirmatory test performed by a drug testing laboratory licensed by the department of health. The confirmatory test and the laboratory must meet the standards established under section 181.953, subdivision 1, and the rules adopted thereunder."

Delete the title and insert:

"A bill for an act relating to children; controlled substances; requiring reporting of certain controlled substance use by pregnant women; requiring certain toxicology tests; providing for civil commitment of pregnant women for certain controlled substance use; amending Minnesota Statutes 1988, sections 253B.02, subdivisions 2 and 10; and 626.556, subdivisions 2, 3, and 10; proposing coding for new law in Minnesota Statutes, chapter 626."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 132, A bill for an act relating to animals; clarifying the liability for certain damages; increasing a penalty; amending Minnesota Statutes 1988, section 346.56.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 346.56, subdivision 2, is amended to read:

Subd. 2. [LIABILITY FOR DAMAGES.] A person who without permission releases an animal lawfully confined for science, research, commerce, or education is liable: (1) to the owner of the animal for damages and, including the costs of restoring the animal to confinement and to its health condition prior to release; and (2) for damage to personal and real property caused by the released animal. If the release causes the failure of an experiment, the person is liable for all costs of repeating the experiment, including replacement of the animals, labor, and materials.

Sec. 2. [609.552] [UNAUTHORIZED RELEASE OF ANIMALS.]

A person who intentionally and without permission releases an animal lawfully confined for science, research, commerce, or education is guilty of a misdemeanor. A second or subsequent offense by the same person is a gross misdemeanor.

Sec. 3. [REPEALER.]

Minnesota Statutes 1988, section 346.56, subdivision 1, is repealed.

Sec. 4. [EFFECTIVE DATE.]

Sections 2 and 3 are effective August 1, 1989, and apply to crimes committed on or after that date.”

Delete the title and insert:

“A bill for an act relating to animals; providing civil and criminal penalties for the unauthorized release of research animals; amending Minnesota Statutes 1988, section 346.56, subdivision 2; proposing coding for new law in Minnesota Statutes, chapter 609; repealing Minnesota Statutes 1988, section 346.56, subdivision 1.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on Financial Institutions and Housing to which was referred:

H. F. No. 156, A bill for an act relating to commerce; industrial loan and thrift companies; regulating lending practices; prescribing the qualifications of the directors of certain companies; regulating the lending practices of regulated lenders; specifying the loan fees and charges that may be imposed by regulated lenders; regulating delinquency and collection charges on retail installment contracts; regulating mortgage foreclosure notices; amending Minnesota Statutes 1988, sections 53.04, subdivision 3a, and by adding a subdivision; 53.06; 56.12; 56.131, subdivisions 1, 2, and 6; 56.14; 168.71; and 580.03.

Reported the same back with the following amendments:

Page 14, delete section 10

Page 15, line 23, delete "11" and insert "10"

Page 15, line 24, delete "10" and insert "9"

Amend the title as follows:

Page 1, line 8, delete "delinquency" and insert "delinquency"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 166, A bill for an act relating to transportation; providing that certain information submitted to department of transportation is public data; defining terms; providing for limousine registration; exempting certain special transportation service providers holding current certificate of compliance from motor carrier regulations; delineating requirements of carriers to display certain information; providing for permits of special passenger carriers and household goods carriers; providing for operation under motor carrier permit on death of holder; providing for amount of insurance, bond, or other security required of motor carriers; giving commissioner of transportation subpoena power for certain enforcement purposes; providing for suspension of registration of interstate authority for failure to maintain insurance; amending Minnesota Statutes 1988, sections 13.72, by adding subdivisions; 168.011, subdivision 35; 168.128, subdivision 2; 174.30, subdivision 6; 221.011, subdivisions 16, 20, and by adding a subdivision; 221.031, subdivision 6; 221.111; 221.121, subdivision 6a; 221.141, subdivision 1b, and by adding a

subdivision; and 221.60, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 65B and 221.

Reported the same back with the following amendments:

Page 2, after line 8, insert:

"Sec. 3. [13.793] [INTERNAL AUDITING DATA.]

Subdivision 1. [PROTECTED NONPUBLIC DATA.] The following are classified as confidential data on individuals pursuant to section 13.02, subdivision 3, or protected nonpublic data pursuant to section 13.02, subdivision 13:

(1) data, notes, and preliminary drafts of reports created, collected, and maintained by the internal audit offices of state agencies, political subdivisions, or the state auditor or persons performing audits for state agencies, political subdivisions, or the state auditor and relating to an audit or investigation, until the final report has been published or the audit or investigation is no longer actively being pursued; and

(2) data that support the conclusions of a report under clause (1) and that the agency, political subdivision, or state auditor reasonably believes will result in litigation, until the litigation is commenced.

Subd. 2. [PRIVATE DATA ON INDIVIDUALS.] Data on an individual supplying information for an audit or investigation, that could reasonably be used to determine the individual's identity, are private data on individuals pursuant to section 13.02, subdivision 12, if the information supplied was needed for an audit or investigation and would not have been provided to the internal audit office or person performing audits without an assurance to the individual that the individual's identity would remain private.

Sec. 4. Minnesota Statutes 1988, section 16A.055, subdivision 1, is amended to read:

Subdivision 1. [LIST.] The commissioner shall:

(1) receive and record all money paid into the state treasury and safely keep it until lawfully paid out;

(2) manage the state's financial affairs;

(3) keep the state's general account books according to generally accepted government accounting principles;

(4) keep expenditure and revenue accounts according to generally accepted government accounting principles;

(5) develop, provide instructions for, prescribe, and manage a state uniform accounting system; and

(6) provide to the state the expertise to ensure that all state funds are accounted for under generally accepted government accounting principles; and

(7) coordinate the development of, and develop standards for, internal auditing in state agencies and, in cooperation with the commissioner of administration, report to the legislature and the governor by December 31, 1990, on progress made.

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, delete "transportation" and insert "state agencies"

Page 1, line 4, before "defining" insert "providing for development of internal auditing standards; classifying certain internal auditing data as other than public;"

Page 1, line 19, before "168.011" insert "16A.055, subdivision 1;"

Page 1, line 26, after "chapters" insert "13;" and after "65B" insert a semicolon

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 193, A bill for an act relating to crimes; providing that an offender may not demand imposition of sentence; amending Minnesota Statutes 1988, section 609.135, by adding a subdivision.

Reported the same back with the following amendments:

Page 1, line 9, delete "IMPOSITION" and insert "EXECUTION"

Page 1, line 10, delete "imposition" and insert "execution"

Page 1, line 12, delete everything after "who" and insert "will be

-serving the sentence consecutively or concurrently with another executed felony sentence."

Page 1, delete line 13, and insert:

"Sec. 2. Minnesota Statutes 1988, section 638.04, is amended to read:

638.04 [MEETINGS.]

The board of pardons shall hold regular meetings on the second Monday in ~~January, April, July, and October~~, of at least twice each year, and such other meetings as it shall deem expedient, and all shall be held in the executive chamber in the state capitol, or at such other place as may be ordered by the board."

Amend the title as follows:

Page 1, line 3, delete "imposition" and insert "execution" and before the semicolon insert "except under certain circumstances" and after the semicolon insert "requiring the board of pardons to meet at least twice each year;"

Page 1, line 4, delete "section" and insert "sections"

Page 1, line 5, after "subdivision" insert "; and 638.04"

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 207, A bill for an act relating to public safety; establishing the board of jail employee training and standards; regulating jail employees; providing penalties; appropriating money; amending Minnesota Statutes 1988, sections 214.01, subdivision 3; 214.04, subdivisions 1 and 3; and 364.09; proposing coding for new law in Minnesota Statutes, chapter 214; proposing coding for new law as Minnesota Statutes, chapter 644.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 301, A bill for an act relating to public employees; providing that public safety dispatchers are essential employees; amending Minnesota Statutes 1988, section 179A.03, subdivision 7.

Reported the same back with the following amendments:

Page 1, after line 25, insert:

“Sec. 2. [TRANSFER.]

The state job classifications entitled “security/communications system monitors” and “radio communications operators” are transferred to state bargaining unit “(1) law enforcement unit,” as established in Minnesota Statutes, section 179A.10, subdivision 2.

Sec. 3. [EFFECTIVE DATE.]

Sections 1 and 2 are effective July 1, 1989.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Labor-Management Relations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 341, A bill for an act relating to public safety; proposing the emergency planning and community right-to-know act; requiring reports on hazardous substances and chemicals; creating an emergency response commission; providing penalties; amending Minnesota Statutes 1988, section 609.671, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 299F.

Reported the same back with the following amendments:

Page 1, after line 27, insert:

“Subd. 6. [PERSON.] “Person” means any individual, partnership, association, public or private corporation, or other entity including the United States government, any interstate body, the state and any agency, department, or political subdivision of the state.”

Page 4, delete lines 3 to 13 and insert:

"Political subdivisions should prepare emergency plans that adequately address the requirements contained in section 11003 of the federal act. The emergency plan may be a part of a plan prepared by a political subdivision in accordance with chapter 12. County organizations, through the county director designated under section 12.25, shall receive the plans for review, shall coordinate the emergency planning required under the federal act for political subdivisions within the county, and shall submit the plans to the regional office of the division of emergency management. The division of emergency management shall submit the plans to the regional review committee."

Page 4, line 20, delete "of" and insert "or"

Page 5, delete lines 7 and 8 and insert:

"The notification of the commission required under the federal act must be through the state emergency response center. The"

Page 5, line 9, delete "also"

Page 5, delete lines 20 to 23

Page 5, line 27, delete "HAZARDOUS CHEMICAL INVENTORY REPORTING" and insert "ADDITIONAL FACILITIES"

Page 5, line 28, after the second "facilities" insert "that are operated by employers"

Page 5, line 31, after "reporting" insert "and facilities subject to those sections that have ten or more employees shall comply with the toxic chemical release reporting requirements" and after the period insert "The additional facilities shall report under section 11021 of the federal act on October 1, 1989, and under section 11022 of the federal act on March 1, 1990."

Page 5, line 33, delete "and 11022" and insert ", 11022, and 11023"

Page 5, after line 34, insert:

"Subd. 3. [REPORTING.] Each facility shall submit material safety data sheets required under section 11021 of the federal act and the hazardous chemical inventory reports required under section 11022 of the federal act to the commission. The toxic chemical release reports required under section 11023 of the federal act must be submitted to the commission through July 1, 1991. On and after July 1, 1992, toxic chemical release reports must be submitted to the pollution control agency."

Page 6, line 11, after "(1)" insert "or (2)"

Page 6, line 18, delete "based on" and insert "In establishing fees, the commission must consider appropriate factors, which may include"

Page 8, line 33, delete "1989" and insert "1990"

Page 9, after line 10, insert:

"Sec. 15. [APPLICATION; EFFECTIVE DATE.]

Initial toxic chemical release reports from facilities governed by section 8, subdivision 2, are due on July 1, 1992, to cover releases occurring during 1991.

Sec. 16. [EMERGENCY PLANNING REPORT.]

The emergency response commission shall report to the legislature on the effectiveness of emergency planning required under the federal act throughout the state. The report must address the numbers and composition of local emergency planning committees and planning advisory committees established in the state, and the involvement of citizens in the planning process. The commission shall submit the report to the house and senate governmental operations committees by December 31, 1990."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 404, A bill for an act relating to health; requiring a person to be licensed to perform radon work; regulating radon testing and mitigation work; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 326.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. [326.83] [TITLE.]

Sections 326.83 to 326.94 may be cited as the "radon research and remediation act."

Sec. 2. [326.84] [DEFINITIONS.]

Subdivision 1. [SCOPE.] As used in sections 326.83 to 326.94, the following terms have the meanings given them in this section.

Subd. 2. [PERSON.] "Person" means any individual, partnership, association, private corporation, or other private business entity.

Subd. 3. [RADON.] "Radon" means the radioactive noble gas radon-222 and the short-lived radionuclides that are products of radon-222 decay, including polonium-218, lead-214, bismuth-214, and polonium-214.

Sec. 3. [326.85] [LICENSING AND REGISTRATION.]

Subdivision 1. [WHEN LICENSE REQUIRED.] No person shall perform radon testing unless the person is licensed by the department of administration. The license shall be in writing, be dated when issued, contain an expiration date, be signed by the commissioner, and give the name and address of the person to whom it is issued. The license must be renewed annually.

Subd. 2. [LICENSE REQUIREMENTS.] To obtain a license to perform radon testing a person must demonstrate that the person has met the requirements of the National Radon Measurement Proficiency Program established by the United States Environmental Protection Agency.

Subd. 3. [COPIES OF THE LICENSE.] A license holder must provide a copy of the license upon request by anyone who contracts for radon services from the license holder.

Subd. 4. [WHEN REGISTRATION REQUIRED.] No person may conduct radon mitigation work in Minnesota unless the person is registered with the department of administration.

Subd. 5. [WHEN LICENSING AND REGISTRATION NOT REQUIRED.] A license for radon testing and registration for radon mitigation is not required for:

(1) a person who performs radon testing or radon work involving property owned by the person; or

(2) a person performing preventive or safeguarding measures during new construction or remodeling.

Subd. 6. [CONDUCTING RADON TESTING OR MITIGATION.] A person shall be deemed to be conducting radon testing or radon mitigation work if the person, by oral or written representation, claims to determine the presence of or the level of radon in a building, or claims that repairs or changes made to a building will, or are likely to lower radon levels in a building.

Subd. 7. [LOCAL GOVERNMENT REGULATION.] A municipal-ity or other local government entity may not require an additional license or registration or impose additional conditions or requirements upon a person performing radon testing or radon work, if the person is licensed under this section.

Sec. 4. [326.86] [FEES.]

Subdivision 1. [LICENSE AND REGISTRATION FEE.] A person required to be licensed or registered under this section must, before performing radon testing or radon mitigation work, pay the commissioner of administration an initial license or registration fee of \$200. A license or registration is valid for two years after the date it is issued. The license or registration must be renewed every two years. A person seeking to renew the license or registration must pay a \$200 renewal fee.

Subd. 2. [PROJECT FEE.] A person required to be licensed or registered under this section must pay to the commissioner of administration a project fee of two percent of the gross receipts for radon work conducted in Minnesota during the previous 12-month period. Gross receipts for radon work in the previous 12-month period must be reported on the license or registration renewal form and certified as accurate by the chief operating officer of the license holder or the registrant.

Sec. 5. [326.87] [REQUIRED RADON INFORMATION.]

A licensed real estate broker or real estate salesperson, as those terms are defined in section 82.17, or another agent for the seller of residential real estate must provide the buyer of the property at the closing with a copy of a radon information pamphlet provided by the department through the documents division of the department of administration. If the real estate broker, real estate salesperson, or other agent for the seller fails to provide the pamphlet required by this section, the buyer may recover a penalty of \$100 from the person in a conciliation court proceeding.

Sec. 6. [326.88] [DUTIES OF THE COMMISSIONER OF HEALTH.]

Subdivision 1. [RADON EDUCATION.] (a) The commissioner of health shall establish and maintain a toll free number to provide information about radon. The commissioner of health shall also hold public meetings and publish material the commissioner of health determines is necessary to inform the public about radon. The commissioner of health shall make written materials about radon testing and remediation available to real estate agents, builders, public libraries, building code enforcement officials, hardware stores, and home improvement stores for free distribution.

(b) The commissioner of health shall prepare and distribute technical information the commissioner of health determines is necessary or useful to help assure testing, building, and mitigation practices that will accurately identify radon levels and will help reduce or abate radon problems. The commissioner of health must distribute this information to mitigation companies, builders, radon testing companies, and local officials.

(c) The commissioner of health may charge a fee for educational materials based on the cost of producing the materials.

Subd. 2. [RADON RESEARCH.] (a) The commissioner of health shall undertake research and publish the results of the research in the following areas:

(1) radon mitigation techniques for single family homes;

(2) soil gas testing to determine radon source levels;

(3) radon testing procedures for schools, licensed day care centers, and publicly owned residential facilities;

(4) testing and remediation techniques for apartment buildings and other multiple family dwellings with particular emphasis on below-grade units;

(5) health risk assessments using varying exposure levels and lengths of exposure;

(6) the estimation of long-term radon and radon daughter product levels;

(7) radon levels in selected public buildings; and

(8) other subjects the commissioner of health determines require research.

(b) To the extent possible, consistent with the objectives of the research, homes of low income residents shall be selected for research under this subdivision. Studies conducted by the commissioner of health shall not duplicate work available from the federal government or from other sources. The research in paragraph (a), clauses (1) and (4) shall be conducted under contract with the Minnesota Cold Climate Building Research Center. The research in paragraph (a), clauses (2) and (6) shall be conducted under contract with the Minnesota geological survey. The commissioner of health may establish priorities among the areas of research listed in this subdivision.

Sec. 7. [326.89] [DUTIES OF COMMISSIONER OF ADMINISTRATION.]

Subdivision 1. [RULEMAKING.] The commissioner of administration may adopt rules addressing education requirements, license revocation procedures, truth in advertising requirements, standards for remediation, radon standards, continuing education requirements, and other rules necessary to implement sections 326.83 to 326.94. The commissioner of administration shall consult with the commissioner of health on any rules proposed by the commissioner of administration.

Subd. 2. [INJUNCTIVE RELIEF.] The attorney general may bring an action for injunctive relief in the district court for Ramsey county or in the district court in the county where the testing or remediation is being undertaken to halt violations of sections 326.83 to 326.94 or rules of the commissioner of administration.

Subd. 3. [CIVIL PENALTIES.] The attorney general may seek civil penalties of up to \$10,000 per day for any violations of sections 326.83 to 326.93.

Subd. 4. [DENIAL, SUSPENSION, REVOCATION, OR REFUSAL TO REISSUE A LICENSE OR REGISTRATION.] The commissioner of administration may deny, suspend, revoke, or refuse to reissue a license or registration for the following reasons:

(1) serious violation of or failure to comply with sections 326.83 to 326.94;

(2) fraudulent, deceptive, or dishonest practices by the person applying for or holding a license or registration; or

(3) false or misleading statements on any document required under sections 326.83 to 326.94.

A person denied a license or registration, or whose license or registration is suspended, revoked, or not reissued under this section may request a hearing on the matter under chapter 14.

Subd. 5. [ACCESS TO INFORMATION AND PROPERTY.] (a) A person who the commissioner of administration has reason to believe is engaged in radon-related work, or a person who is the owner of real property where the radon-related work is being or has been undertaken, when requested by the commissioner of administration, or any member, employee, or agent who is authorized by the commissioner of administration, shall give the commissioner of administration the information that the person may have or may reasonably obtain that is relevant to the radon-related work.

(b) The commissioner of administration or a person authorized by the commissioner of administration, upon presentation of credentials, and with reason to believe that violation of sections 326.83 to 326.94 may be occurring, may:

(1) examine and copy any books, papers, records, memoranda, or data related to the radon-related project of any person who has a duty to provide information to the department under paragraph (a); and

(2) enter upon a public or private property to take actions authorized by this section, including obtaining information from a person who has a duty to provide the information under paragraph (a), and conducting surveys or investigations.

Subd. 6. [SUBPOENAS.] In matters under investigation by or pending before the commissioner of administration under sections 326.83 to 326.94, the commissioner of administration may issue subpoenas and compel the attendance of witnesses and the production of papers, books, records, documents, and other relevant evidentiary materials. If a person fails or refuses to comply with the subpoena or order, the commissioner of administration may ask the district court in any district, to order the person to comply with the commissioner's order or subpoena. The commissioner of administration may also administer oaths and affirmations to witnesses. Depositions may be taken within or without the state in the manner provided by law for the taking of depositions in civil actions. A subpoena or other process or paper may be served upon any person anywhere within the state by an officer authorized to serve subpoenas in civil actions, with the same fees and mileage costs paid, and in the manner prescribed by law, for process of the state district courts. Fees and mileage and other costs of persons subpoenaed by the commissioner of administration shall be paid in the manner prescribed for proceedings in district court.

Sec. 8. [326.90] [STATE PLUMBING CODE.]

The commissioner of administration, in consultation with the commissioner of health, shall adopt changes to the state plumbing code that the commissioner of administration finds are necessary to minimize infiltration of soil gas into buildings. The changes shall be adopted within six months after federal standards are adopted.

Sec. 9. [326.91] [STATE BUILDING CODE.]

The commissioner of administration shall adopt changes to the state building code that the commissioner of administration finds are needed to minimize the accumulation of excess levels of radon in buildings. The changes shall be adopted within six months after federal standards are adopted.

## Sec. 10. [326.92] [REPORT OF RADON TEST DATA.]

A person licensed under sections 326.83 to 326.94 who conducts radon tests in Minnesota must submit a copy of the test results to the department. The test results need not include the name of the property owner but must include the street address of the building. The street addresses of buildings for which data is collected under this section are nonpublic data. A government agency may share the data, including street addresses, with other government agencies.

## Sec. 11. [326.93] [MANDATORY TESTING.]

Public and private schools and licensed day care centers must conduct an initial screening test for radon by July 1, 1991. The commissioner of administration may by rule require additional testing.

## Sec. 12. [326.94] [RECIPROCITY.]

A person who is licensed to conduct radon testing in another state may obtain a Minnesota license without meeting the specific education requirements or taking any examination that may be required by the commissioner of administration if:

(1) the licensing requirements of the other state are equivalent to those required in this state; and

(2) the license holder pays the fees established in section 326.86.

## Sec. 13. [EFFECTIVE DATE.]

Section 7, subdivision 1, is effective the day following final enactment. Sections 3 and 6 are effective October 1, 1989. Sections 4, 7, subdivisions 2, 3, 4, 5, and 6; and 10, are effective January 1, 1990.

## Sec. 14. [APPROPRIATIONS.]

Subdivision 1. \$200,000 is appropriated from the general fund to the commissioner of administration for the biennium ending June 30, 1991, to carry out the requirements of sections 3, 4, 7, 8, and 9. The department of administration's complement is increased by . . . . . persons.

Subd. 2. \$20,000 is appropriated from the general fund to the commissioner of health for the biennium ending June 30, 1991, to carry out the requirements of section 5.

Subd. 3. \$100,000 is appropriated from the general fund to the

commissioner of health for the biennium ending June 30, 1991, to carry out the requirements of section 6, subdivision 1.

Subd. 4. \$235,000 is appropriated from the general fund to the commissioner of health for the biennium ending June 30, 1991, to carry out the requirements of section 6, subdivision 2, clause (1).

Subd. 5. \$240,000 is appropriated from the general fund to the commissioner of health for the biennium ending June 30, 1991, to carry out the requirements of section 6, subdivision 2, clause (2).

Subd. 6. \$18,000 is appropriated from the general fund to the commissioner of health for the biennium ending June 30, 1991, to carry out the requirements of section 6, subdivision 2, clause (3).

Subd. 7. \$255,000 is appropriated from the general fund to the commissioner of health for the biennium ending June 30, 1991, to carry out the requirements of section 6, subdivision 2, clause (4).

Subd. 8. \$40,000 is appropriated from the general fund to the commissioner of health for the biennium ending June 30, 1991, to carry out the requirements of section 6, subdivision 2, clause (5).

Subd. 9. \$47,500 is appropriated from the general fund to the commissioner of health for the biennium ending June 30, 1991, to carry out the requirements of section 6, subdivision 2, clause (6).

Subd. 10. \$9,000 is appropriated from the general fund to the commissioner of health for the biennium ending June 30, 1991, to carry out the requirements of section 6, subdivision 2, clause (7).

Subd. 11. \$60,000 is appropriated from the general fund to the commissioner of health for the biennium ending June 30, 1991, to carry out the requirements of section 11.

Subd. 12. The department of health complement is increased by ..... persons."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 412, A bill for an act relating to education; changing the definitions of teachers and of supervisory and support personnel for the purpose of licensure; changing the kinds of personnel licensed by

the board of teaching and the state board of education; changing the composition of the board of teaching; providing for teacher performance effectiveness plans; amending Minnesota Statutes 1988, sections 125.03, subdivisions 1 and 4; 125.05, subdivisions 1 and 2; 125.08; and 125.183, subdivisions 1 and 3; proposing coding for new law in Minnesota Statutes, chapter 125.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 456, A bill for an act relating to human rights; providing that failure to implement a comparable worth plan is an unfair discriminatory practice; amending Minnesota Statutes 1988, section 363.01, subdivision 9.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 43A.05, is amended by adding a subdivision to read:

Subd. 7. [HUMAN RIGHTS.] The commissioner of human rights or any state court may use as evidence the results of any job evaluation system established under this section and the reports compiled under this section in any proceeding or action alleging discrimination.

Sec. 2. Minnesota Statutes 1988, section 471.997, is amended to read:

471.997 [HUMAN RIGHTS ACT EXCEPTION.]

~~Neither The commissioner of human rights nor or any state court shall may use or consider as evidence the results of any job evaluation system established under section 471.994 and the reports compiled under section 471.995 in any proceeding or action commenced alleging discrimination before August 1, 1987, under chapter 363.~~

Delete the title and insert:

“A bill for an act relating to human rights; allowing results of job evaluation systems as evidence in discrimination actions; amending

Minnesota Statutes 1988, sections 43A.05, by adding a subdivision; and 471.997.”

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 483, A bill for an act relating to crime; including controlled substance offenses in the evidentiary provision of the disorderly house crime; amending Minnesota Statutes 1988, section 609.33, subdivision 4.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 485, A bill for an act relating to resource development; establishing a legislative commission on minerals; appropriating money; amending Minnesota Statutes 1988, section 116J.61.

Reported the same back with the following amendments:

Page 3, line 22, after “economy” insert “in an environmentally sound manner” and after “and” insert “assess”

Page 4, line 35, after “economic” insert “and environmental”

Page 4, line 36, after “incentives” insert “such as credits for environmental measures”

Page 4, after line 36, insert:

“(3) adequacy of environmental policy in respect to mineral development;”

Page 5, line 1, delete “(3)” and insert “(4)”

Page 5, line 2, after “to” insert “environmentally sound”

Page 5, line 4, delete “(4)” and insert “(5)”

Page 5, line 8, delete "(5)" and insert "(6)"

Page 5, line 10, after "scientific" insert ", environmental,"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Wenzel from the Committee on Agriculture to which was referred:

H. F. No. 534, A bill for an act relating to groundwater; establishing best management practices and water resources protection requirements; regulating pollution limits; changing various requirements and procedures concerning fertilizer, soil amendments, and plant amendments; requiring a study of sustainable agriculture; changing certain pesticide laws; requiring a pesticide management plan; providing for responses to pesticide and fertilizer incidents; establishing a safe drinking water account; imposing an annual fee; reorganizing and revising laws on water wells, exploratory boring, and elevator shafts; establishing a water information committee; providing for local water resources protection and management; establishing water appropriation priorities; establishing a legislative commission on water; appropriating money; amending Minnesota Statutes 1988, sections 17.713; 17.714, subdivisions 1, 3, 6, and by adding a subdivision; 17.715, subdivisions 1, 4, and by adding subdivisions; 17.7155; 17.716, subdivisions 1 and 2; 17.717; 17.718; 17.719, subdivisions 1, 2, 3, 4, and by adding subdivisions; 17.721, by adding a subdivision; 17.723; 17.725, subdivision 2, and by adding subdivisions; 17.728, by adding subdivisions; 17.7285; 17.73, subdivision 3; 18B.01, subdivisions 5, 12, 15, 19, 21, 23, 26, 30, 31, and by adding subdivisions; 18B.03, by adding a subdivision; 18B.04; 18B.07, subdivisions 2, 3, 4, 5, 6, and 7; 18B.08, subdivisions 1, 3, and 4; 18B.15; 18B.17, subdivision 2; 18B.18; 18B.20, by adding a subdivision; 18B.21; 18B.26, subdivisions 1, 3, 5, and by adding a subdivision; 18B.31, subdivisions 3 and 5; 18B.32, subdivision 2; 18B.33, subdivisions 1, 3, and 7; 18B.34, subdivisions 1, 2, and 5; 18B.36; 18B.37, subdivisions 1, 2, 3, and 4; 105.41, subdivision 1a; 105.418; 115.093, subdivision 5; 116C.40, by adding subdivisions; 116C.41, subdivision 1; 116E.03, subdivision 9; 156A.01; 156A.02; 156A.03; 156A.05; 156A.06; 156A.071; 156A.075; 156A.08; and 326.37; proposing coding for new law as Minnesota Statutes, chapters 110C and 115D; proposing coding for new law in Minnesota Statutes, chapters 3; 17; 18B; 105; 115; 116C; 116E; 144; and 156A; repealing Minnesota Statutes 1988, sections 17.714, subdivisions 4, 4a, and 4b; 17.721; 17.726; 17.727; 17.728, subdivisions 4 and 5; 17.729; 17.73, subdivision 5, paragraph (d); 18B.16; 18B.19; 18B.20, subdivision 6; 156A.02, subdivision 3; 156A.031; 156A.04; 156A.07; 156A.10; and 156A.11.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“ARTICLE 1

PROTECTION OF GROUNDWATER

Section 1. [115D.01] [GOAL; PREVENTION OF GROUNDWATER DEGRADATION.]

It is the goal of the state that groundwater be maintained in its natural condition, free from any degradation caused by human activities. It is recognized that for some human activities this nondegradation goal cannot be practicably achieved. However, where prevention is practicable, it is intended that it be achieved. Where it is not currently practicable, the development of methods and technology that will make prevention practicable is encouraged. The prevention and cleanup of groundwater pollution is crucial to the public health and welfare and the environment of the state because:

(1) Minnesota's high quality groundwater is a precious natural resource upon which Minnesotans depend for many uses, including drinking water and agricultural and industrial uses;

(2) this resource is currently being threatened by pollution from a variety of land and water uses, including domestic, agricultural, and industrial uses;

(3) groundwater of the state is contained in a series of related and often interconnected aquifers, and pollutants entering the groundwater may spread both horizontally and vertically and may enter and impair surface waters;

(4) once groundwater becomes polluted, it is extremely difficult and at times impossible to return it to its natural state;

(5) consumption of polluted groundwater can result in significant health impacts, even at relatively low concentrations; and

(6) groundwater must be protected for consumption and other uses by future generations.

Sec. 2. [115D.02] [DEFINITIONS.]

Subdivision 1. [APPLICABLE DEFINITIONS.] The definitions provided in this section apply to terms used in sections 1 to 7, unless the context requires otherwise. The definitions provided in section 115.01 apply to terms used in sections 1 to 7, unless a different

definition is provided in this section or the context requires otherwise.

Subd. 2. [BEST MANAGEMENT PRACTICES.] "Best management practices" means those practices that are most capable of preventing, reducing, minimizing, or eliminating the pollution of the waters of the state, and are most practicable, considering availability, economic factors, effectiveness, environmental impacts, ability to be implemented, and technical feasibility. Best management practices apply to, but are not limited to, schedules of activities, operation procedures, practices, techniques, maintenance procedures, application and use of chemicals, drainage from raw material storage, treatment requirements, and other activities that may cause or contribute to water pollution.

Subd. 3. [PERSON.] "Person" means a human being; a municipality or other governmental or political subdivision; a public agency; a public or private corporation; a partnership, firm, association, or other organization; a receiver, trustee, assignee, agent, or other legal representative of any of the foregoing; or any other legal entity.

Subd. 4. [REGULATING AUTHORITY.] "Regulating authority" means a state agency, political subdivision, special purpose district, or other governmental unit with legal authority to adopt and enforce water resources protection requirements.

Subd. 5. [WATER RESOURCES PROTECTION REQUIREMENTS.] "Water resources protection requirements" means requirements intended to prevent, reduce, minimize, or eliminate pollution of the waters of the state that are enforceable under law, ordinance, permit, license, or order. Water resources protection requirements include: design criteria, guidance, or requirements; standards; operation and maintenance procedures; practices to control releases, spills, leaks, and sludge and waste disposal; restrictions on use and practices; and treatment requirements.

### Sec. 3. [115D.03] [ADEQUACY OF STATE PROGRAMS.]

Subdivision 1. [PROGRAM REVIEW.] The environmental quality board shall identify those state agency programs that affect activities that may cause or contribute to groundwater pollution. Agencies shall review the identified programs and current management practices according to the following criteria:

(1) consistency with and effectiveness in achieving the goal of section 1, effectiveness in meeting the limits established under section 5, and application of special protective measures in sensitive areas identified under section 7;

(2) enforceability of current water resources protection requirements, and effectiveness of enforcement mechanisms;

(3) sufficiency of staff and funds to match the scope of the problems; and

(4) adequacy of review of individual facilities or practices.

The reviewing agencies shall report their findings to the board by July 1, 1990. The board shall determine the adequacy of groundwater protection efforts from this review. The board shall report its recommendations to the governor and the legislature by November 15, 1990, and at four-year intervals.

Subd. 2. [STATE AGENCIES.] Each state agency that has a program identified pursuant to subdivision 1 shall adopt water resources protection requirements or identify and develop best management practices to ensure that the program is consistent with and is effective in achieving the goal of section 1 and is effective in meeting the limits established under section 5. For those activities which may cause or contribute to pollution of groundwater, but are not directly regulated by the state, best management practices shall be promoted through education, support programs, incentives, and other mechanisms.

Subd. 3. [DEPARTMENT OF AGRICULTURE.] The department of agriculture shall adopt water resources protection requirements and identify and develop best management practices for the distribution, storage, and use of pesticides and fertilizers, except as otherwise provided in law.

Sec. 4. [115D.04] [DUTY TO PREVENT POLLUTION.]

Persons whose activity may cause or contribute to pollution of groundwater shall use all practicable means of preventing the pollution.

Sec. 5. [115D.05] [HEALTH AND POLLUTION LIMITS.]

Subdivision 1. [DEPARTMENT OF HEALTH.] (a) The department of health shall adopt rules specifying procedures and criteria for establishing and periodically revising a list of health risk limits for drinking water. The rules shall require the limits to be set at levels such that there is no significant long-term risk to human health from using that water, considering prudent margins of safety and complicating effects due to the presence of multiple pollutants or breakdown products. The rules shall provide for the establishment of temporary emergency limits that are not subject to paragraph (b).

(b) After rules are adopted under paragraph (a), the department shall establish a list of health risk limits in accordance with the rules and the procedures provided in this paragraph. The establish-

ment of the list is exempt from the requirements of chapter 14. The department shall reevaluate each limit at least every four years after it has been established. Before a list of health risk limits is established or revised, the department shall:

(1) publish in the State Register and disseminate through the Minnesota extension service and through soil and water conservation districts notice of its intent to establish or revise health risk limits for specific substances and shall solicit information on the health impacts of those substances;

(2) publish a proposed list of health risk limits in the State Register and disseminate through the Minnesota extension service and through soil and water conservation districts allowing 60 days for public comment; and

(3) publish the final list of health risk limits in the State Register and, at the same time, make available a summary of the public comments received and the department's responses to the comments.

(c) A limit established by the department under paragraph (b) may be challenged in the manner provided in sections 14.44 and 14.45, except that the court may declare a limit invalid only if it finds that the limit was not established in accordance with the rules adopted under paragraph (a) or the procedures provided in paragraph (b) or that the limit is arbitrary or capricious.

Subd. 2. [POLLUTION CONTROL AGENCY.] The pollution control agency shall adopt rules establishing numerical groundwater pollution limits. The rules shall:

(1) use the department of health's health risk limits as the measure of health risk;

(2) provide for the establishment of more protective limits where groundwater interactions with surface water may otherwise result in impairment of surface water quality;

(3) not preclude regulating authorities from adopting more stringent requirements for facilities or practices to further minimize pollution consistent with section 1, where it is practicable; and

(4) provide standards for measuring the adequacy of state agency programs under section 3 and guiding the actions of regulating authorities under section 6.

Sec. 6. [115D.06] [ACTIONS BY REGULATING AUTHORITIES.]

Subdivision 1. [GROUNDWATER POLLUTION OCCURRENCE.]

Where groundwater pollution is detected during ongoing monitoring programs, regardless of the limits established under section 5, the responsible state agency shall take appropriate actions consistent with the goal of section 1 to confirm detection and may investigate possible sources, investigate the extent of groundwater pollution, and may conduct informational and educational efforts and other appropriate actions in the affected areas.

Subd. 2. [GROUNDWATER POLLUTION IN EXCESS OF LIMITS.] If groundwater pollution exceeds or is likely to exceed limits established under section 5, the regulating authority shall take appropriate actions consistent with the goal of section 1 and the limits established under section 5.

Subd. 3. [APPROPRIATE ACTIONS.] For the purpose of this section, "appropriate actions" include actions to confirm detection and investigate possible sources, investigate the extent of groundwater pollution, conduct informational or educational efforts in the affected areas, require implementation of management practices, develop more protective water resources protection requirements, require changes in monitoring, restrict or modify the activity or use in question, or require or provide groundwater remediation or containment. Nothing in this section shall be interpreted to confer any authority to adopt water resources protection requirements upon any state agency, political subdivision, special purpose district, or other local governmental unit beyond the authority conferred by other law.

Subd. 4. [NITROGEN COMPOUNDS IN GROUNDWATER.] The department of agriculture and the pollution control agency, in consultation with the board of water and soil resources and Minnesota agricultural experiment station, shall prepare a report on nitrate and related nitrogen compounds in groundwater. The report shall consider recommendations made by local government in comprehensive local water plans and the program review required in section 3, subdivision 2, use data developed by the Minnesota agricultural experiment station, and shall incorporate the findings of the fertilizer nitrogen task force identified in article 2, section 12. This report shall be submitted to the environmental quality board by July 1, 1991. The board shall provide recommendations to the legislature by November 15, 1991, based upon this report.

The report shall be based on existing information and shall examine areas in which improvements in the state and local response to this problem are feasible. The report shall address, but not be limited to, the following issues: the determination of trends in nitrogen pollution; causative factors; the development of recommended best management practices to reduce or minimize pollution; regulatory controls; the feasibility of proposed treatment and corrective or mitigative measures; and the economic impacts of proposed corrective measures.

## Sec. 7. [115D.07] [PROTECTION OF SENSITIVE AREAS.]

Subdivision 1. [DEFINITIONS.] (a) "Sensitive area" or "sensitive groundwater area" means a geographic area defined by natural features where the groundwater is at significant risk of contamination from activities conducted at or near the land surface.

(b) "Special protective measures" means any of a combination of measures which are undertaken in sensitive areas to meet the goal of section 1 and the limits established under section 5.

Subd. 2. [CRITERIA FOR DETERMINATION OF SENSITIVE AREAS.] The environmental quality board shall, after consultation with representatives of local government, and members of agricultural and environmental groups adopt a list of specific criteria for identifying sensitive groundwater areas, establish procedures for applying the criteria and for applying special protective measures in such areas, by September 30, 1991.

Subd. 3. [INFORMATION GATHERING.] State agencies shall incorporate these criteria and special protective measures into their programs. The environmental quality board is responsible for coordinating state and state-funded local information gathering efforts pursuant to the identification of sensitive groundwater areas. Information shall be collected and automated in accordance with article 6, section 7.

## Sec. 8. [115D.08] [GROUNDWATER ADVISORY PANEL.]

A permanent groundwater advisory panel to the environmental quality board shall be appointed by the governor on a nonpartisan basis. In making the appointments, the governor shall seek the advice of independent professionals such as the dean of the college of medicine at the University of Minnesota and the chief of staff at the Mayo Clinic. Disciplines represented on the panel shall include: toxicology, internal medicine, biostatistics, public health, biochemistry, epidemiology, agricultural economics, agricultural engineering, soil science, agronomy, hydrology, geology, ecology, biology, and geophysics. The membership terms, compensation, removal, and filling of vacancies for members of the panel are governed by section 15.0575. The panel shall advise the board on groundwater concerns.

## Sec. 9. [115D.09] [EFFECT ON OTHER LAW.]

Sections 1 to 7 do not limit any person's cause of action under chapter 116B; restrict the authority that a state agency or a local unit of government may have from any other law; or create new enforcement authority. Sections 1 to 7 are intended to provide direction for the implementation of existing regulatory programs.

## ARTICLE 2

## FERTILIZER, SOIL AMENDMENT, AND PLANT AMENDMENT

Section 1. [17.7121] [POWERS AND DUTIES OF COMMISSIONER.]

Subdivision 1. [ADMINISTRATION BY COMMISSIONER.] The commissioner shall administer, implement, and enforce this chapter and the department of agriculture is the lead state agency for the regulation of fertilizer, including, but not limited to, its storage, handling, distribution, use, and disposal.

Subd. 2. [DELEGATION OF DUTIES.] The commissioner's duties under this chapter may be delegated to designated employees or agents of the department of agriculture.

Subd. 3. [DELEGATION TO APPROVED AGENCIES.] The commissioner may, by written agreements, delegate specific inspection, enforcement, and other regulatory duties of this chapter to officials of approved agencies.

Sec. 2. [17.7122] [POLICY; RULES.]

It is the policy of this state to seek to achieve and maintain uniformity with national standards and with other states, insofar as possible, of regulation and control of the manufacture, distribution, and sale of fertilizer in this state.

Sec. 3. Minnesota Statutes 1988, section 17.713, is amended to read:

17.713 [DEFINITIONS.]

Subdivision 1. [GENERALLY.] When used in sections 17.711 to 17.729 the terms defined in this section have the meanings given them.

Subd. 1a. [APPROVED AGENCY.] "Approved agency" means a state agency other than the department of agriculture or an agency of a county, home rule charter or statutory city, town, or other political subdivision that has signed a joint powers agreement under section 471.59 with the commissioner.

Subd. 1b. [BEST MANAGEMENT PRACTICES.] "Best management practices" has the meaning given to it in article 1, section 2, subdivision 1.

Subd. 1c. [WATER RESOURCES PROTECTION REQUIREMENTS.] “Water resources protection requirements” has the meaning given to it in article 1, section 2, subdivision 5.

Subd. 2. [BRAND.] “Brand” means a term, design, or trademark used in connection with one or several grades of commercial fertilizers or with soil and plant amendment materials.

Subd. 3. [BULK FERTILIZER.] “Bulk fertilizer” means any commercial fertilizer material distributed in a nonpackaged form.

Subd. 3a. [CHEMIGATION.] “Chemigation” means a process of applying fertilizers to land or crops including, but not limited to, agricultural, nursery, turf, golf course, or greenhouse sites in or with irrigation water during the irrigation process.

Subd. 4. [COMMERCIAL FERTILIZER.] “Commercial fertilizer” includes those sold which are both mixed fertilizer or fertilizer materials.

Subd. 4a. [COMMISSIONER.] “Commissioner” means the commissioner of agriculture or a designee.

Subd. 4b. [COMPOST.] “Compost” is a material derived primarily or entirely from biological decomposition of vegetative organic matter or animal manure to which no inorganic fertilizers have been added other than to promote decomposition.

Subd. 4c. [CORRECTIVE ACTION.] Correction action means an action taken to minimize, eliminate, or clean up an incident.

Subd. 4d. [CUSTOM APPLY.] “Custom apply” means to apply a fertilizer, soil amendment, or plant amendment product for hire.

Subd. 4e. [DEFICIENCY.] “Deficiency” means that amount of nutrient found by analysis less than that guaranteed which may result from a lack of nutrient ingredients or from lack of uniformity.

Subd. 5. [DISTRIBUTOR.] “Distributor” means any person who imports, consigns, manufactures, produces, compounds, mixes, or blends commercial fertilizer, or who offers for sale, sells, barter, or otherwise supplies commercial fertilizer or soil and plant amendments in this state.

Subd. 5a. [ENVIRONMENT.] “Environment” means surface water, ground water, air, land, plants, humans, and animals and their interrelationships.

Subd. 5b. [FERTILIZER.] “Fertilizer” means a substance containing one or more recognized plant nutrients that is used for its plant

nutrient content and designed for use or claimed to have value in promoting plant growth, except unmanipulated animal and vegetable manures, marl, lime, limestone, and other products exempted by rule by the commissioner.

Subd. 6. [FERTILIZER MATERIAL.] "Fertilizer material" means any substance containing nitrogen, phosphorus, potassium or any recognized plant food nutrient, or any compound which is used primarily for its plant nutrient content or for compounding mixed fertilizers except unmanipulated animal and vegetable manures.

Subd. 6a. [FIXED LOCATION.] "Fixed location" means all stationary fertilizer facility operations, owned and or operated by a person, located in the same plant location or locality.

Subd. 7. [GRADE.] "Grade" means the percentage of total nitrogen (N), available phosphorus (P) or phosphoric acid (P2O5), and soluble potassium (K) or soluble potash (K2O) stated in whole numbers in the same terms, order, and percentages as in the guaranteed analysis; provided, however, that fertilizer materials, bone meals, manures, and similar raw materials may be guaranteed in fractional units, and specialty fertilizers may be guaranteed in fractional units of less than one percent of total nitrogen, available phosphorus or phosphoric acid, and soluble potassium or soluble potash.

Subd. 8. [GUARANTEED ANALYSIS.] "Guaranteed analysis": (1) Until the commissioner prescribes the alternative form of "guaranteed analysis" in accordance with the provisions of paragraph 2 of this subdivision, the term "guaranteed analysis" shall mean the percentage of plant nutrient content, if claimed, in the following order form:

(a) Total nitrogen	.....percent
Available phosphoric acid	.....percent
Soluble potash	.....percent
Total Nitrogen (N)	.....percent
Available Phosphoric Acid (P2O5)	.....percent
Soluble Potash (K2O)	.....percent

(b) (a) For unacidulated mineral phosphatic materials and basic slag, bone, tankage, and other organic phosphate materials; the total phosphoric acid or degree of fineness, or both, may also be guaranteed.

(c) (b) Guarantees for plant nutrients other than nitrogen, phosphorus and potassium may be permitted or required by rule of the commissioner. The guarantees for such other nutrients shall be

expressed in the elemental form. The sources of such other elements, oxides, salt, and chelates, may be required to be stated on the application for registration and may be included as a parenthetical statement on the label. Other beneficial substances or compounds, determinable by laboratory methods, also may be guaranteed by permission of the commissioner and with the advice of the director of the agricultural experiment station. When any plant nutrients or other substances or compounds are guaranteed, they shall be subject to inspection and analyses in accord with the methods and rules prescribed by the commissioner.

(d) (c) Potential basicity or acidity expressed in terms of calcium carbonate equivalent in multiples of 100 pounds per ton, when required by rule.

(2) When the commissioner finds, after public hearing following due notice, that the requirement for expressing the guaranteed analysis of phosphorus and potassium in elemental form would not impose an economic hardship on distributors and users of fertilizer by reason of conflicting labeling requirements among the states, the commissioner may require thereafter that the "guaranteed analysis" shall be in the following form:

Total <del>nitrogen</del> <u>Nitrogen (N)</u>	.....percent
Available <del>phosphorus</del> <u>Phosphorus (P)</u>	.....percent
Soluble <del>potassium</del> <u>Potassium (K)</u>	.....percent

The effective date of said rule shall be not less than one year following the issuance thereof, and provided, further, that for a period of two years following the effective date of said rule the equivalent of phosphorus and potassium may also be shown in the form of phosphoric acid and potash. After the effective date of a rule issued under the provisions of this section, requiring that phosphorus and potassium be shown in the elemental form, the guaranteed analysis for nitrogen, phosphorus, and potassium shall constitute the grade.

(3) "Guaranteed analysis" of a soil amendment or plant amendment shall mean an accurate statement of composition including the percentages of each ingredient. If the product is a microbiological product, the number of viable microorganisms per milliliter for a liquid or the number of viable microorganisms per gram for a dry product must also be listed.

Subd. 9. [GUARANTOR.] "Guarantor" means the person who is guaranteeing the material to be as stated in the guaranteed analysis statement.

Subd. 9a. [HAZARDOUS WASTE.] "Hazardous waste" means a substance identified or listed as hazardous waste in the rules adopted under section 116.07, subdivision 4.

Subd. 9b. [INCIDENT.] "Incident" means a flood, fire, tornado, transportation accident, storage container rupture, leak, spill, emission, discharge, escape, disposal, or other event that releases or immediately threatens to release a fertilizer, soil amendment, or plant amendment accidentally or otherwise into the environment, and may cause unreasonable adverse effects on the environment. Incident does not include a release resulting from the normal use of a product or practice in accordance with law.

Subd. 9c. [INVESTIGATIONAL ALLOWANCE.] "Investigational allowance" means an allowance for variations inherent in the taking, preparation, and analysis of an official sample of fertilizer.

Subd. 9a. 9d. [LABEL.] "Label" means the display of all written, printed or graphic matter upon the immediate container or the statement accompanying a ~~commercial~~ fertilizer, soil amendment or plant amendment.

Subd. 9b. 9e. [LABELING.] "Labeling" means all written, printed or graphic matter upon or accompanying any ~~commercial~~ fertilizer, soil amendment or plant amendment or advertisements, brochures, posters, television, radio or other announcements used in promoting their sale.

Subd. 9e. 9f. [MANIPULATED MANURES.] "Manipulated manures" means substances composed primarily of excreta, plant remains, or mixtures or substances means fertilizers that are manufactured, blended, mixed, or animal or vegetable manures which have been treated in any manner, including mechanical drying, grinding, pelleting and other means, or by adding other chemicals or substances.

Subd. 10. [MIXED FERTILIZER.] "Mixed fertilizer" means any combination or mixture of fertilizer material designed for use or claimed to have value in promoting plant growth, with or without inert materials.

Subd. 11. [MOBILE MECHANICAL UNIT.] "Mobile mechanical unit" means any portable machine or apparatus used to blend, mix, or manufacture ~~fertilizer materials~~ fertilizers.

Subd. 12. [OFFICIAL SAMPLE.] "Official sample" means any sample of ~~commercial~~ fertilizer, soil amendment or plant amendment taken by the commissioner according to methods prescribed by sections 17.711 to 17.729.

Subd. 13. [ORGANIC.] "Organic" when applied to fertilizer nutrients refers only to naturally occurring substances generally recognized as the hydrogen compounds of carbon and their derivatives or synthetic products of similar composition whose water insoluble nitrogen content is at least 60 percent of the total nitrogen guaranteed.

Subd. 13a. [OWNER OF REAL PROPERTY.] "Owner of real property" means a person who is in possession of, has the right of control, or controls the use of real property, including without limitation a person who may be a fee owner, lessee, renter, tenant, lessor, contract for deed vendee, licensor, licensee, or occupant.

Subd. 14. [PERCENT; PERCENTAGE.] "Percent" or "percentage" means the percentage by weight.

Subd. 15. [PERSON.] "Person" includes individuals, partnerships, associations, firms, corporations, companies, and societies. means an individual, firm, corporation, partnership, association, trust, joint stock company, or unincorporated organization, the state, a state agency, or a political subdivision.

Subd. 15a. [PLANT AMENDMENT.] "Plant amendment" means any substance applied to plants or seeds which is intended to improve germination, growth, yield, product quality, reproduction, flavor, or other desirable characteristics of plants except commercial fertilizers, soil amendments, agricultural liming materials, animal and vegetable manures, pesticides, and other materials which may be exempted by rule.

Subd. 15b. [PLANT FOOD.] "Plant food" means any one of the following plant nutrients or any additional plant nutrient which might be generally recognized as beneficial for plant growth: nitrogen, phosphorus, potassium, calcium, magnesium, sulfur, boron, chlorine, cobalt, copper, iron, manganese, molybdenum, sodium and zinc.

Subd. 16. [REGISTRANT.] "Registrant" means the person who registers commercial fertilizer material, soil amendment or plant amendment under the provisions of sections 17.711 to 17.729.

Subd. 16a. [RESPONSIBLE PARTY.] "Responsible party" means a person who at the time of an incident has custody of, control of, or responsibility for a fertilizer, fertilizer container, or fertilizer rinse.

Subd. 16b. [RINSATE.] "Rinsate" means a dilute mixture of a fertilizer or fertilizer with water, solvents, oils, commercial rinsing agents, or other substances.

Subd. 16c. [SAFEGUARD.] "Safeguard" means a facility, equipment, device, or system, or a combination of these, as required by rule, designed to prevent an incident.

Subd. 17. [SELL.] "Sell," when applied to commercial fertilizer, soil amendment, or plant amendment, includes:

- (1) The act of selling, transferring ownership;
- (2) The offering and exposing for sale, exchange, distribution, giving away, and transportation in, and into, this state;
- (3) The possession with intent to sell, exchange, distribute, give away or transport in, and into, this state;
- (4) The storing, carrying and handling in aid of traffic therein, whether done in person or through an agent, employee or others; and
- (5) Receiving, accepting, and holding of consignment for sale.

Subd. 17a. [SEWAGE SLUDGE.] "Sewage sludge" means the solids and associated liquids in municipal wastewater which are encountered and concentrated by a municipal wastewater treatment plant. Sewage sludge does not include incinerator residues and grit, scum, or screenings removed from other solids during treatment. Sewage sludge is exempt from all requirements of this chapter except the soil amendment labeling requirements of section 17.716 unless the sewage sludge meets the plant food content criteria for a commercial fertilizer in which case the sewage sludge will be considered a commercial fertilizer. A copy of the sewage sludge analysis required by the rules of the pollution control agency adopted under section 116.07, subdivision 4, is sufficient to meet the labeling requirements of section 17.716.

Subd. 17b. [SITE.] "Site" includes land and water areas, air space, and plants, animals, structures, buildings, contrivances, and machinery, whether fixed or mobile, including anything used for transportation.

Subd. 18. [SMALL PACKAGE FERTILIZER.] "Small package fertilizer" means fertilizer material sold exclusively in packages of 25 pounds or less.

Subd. 19. [SOIL AMENDMENT.] "Soil amendment" means any aggregate or additive or any synthetic organic chemical substances, or chemically or physically modified natural substances, or naturally occurring substance, or manufacturing by-products, mixed or unmixed, which are represented as having a primary function of forming or stabilizing soil aggregates in soil to which it is to be

applied and thereby improving the resistance of such soil to the sloaking action of water, increasing its water and air permeability, improving the resistance of its surface to crusting, improving its ease of cultivation, or otherwise favorably modifying its structural or physical properties, a substance intended to improve the physical characteristics of the soil, except fertilizers, agricultural liming materials, pesticides, and other materials exempted by rules of the commissioner.

Subd. 20. [SPECIALTY FERTILIZER.] "Specialty fertilizer" means any commercial fertilizer labeled and distributed for, but not limited to, the following uses: commercial gardening, greenhouses, nurseries, sod farms, home gardens, house plants, lawns lawn fertilizer not custom applied, shrubs, golf courses, municipal parks, cemeteries, and research or experimental purposes.

Subd. 20a. [SUBSTANTIALLY ALTERING.] "Substantially altering" means modifying a facility by adding additional safeguards or storage containers, or changing existing storage containers, safeguards, appurtenances, or piping. This does not include routine maintenance of existing safeguards, storage containers, appurtenances, and piping or of existing mixing, blending, weighing, and handling equipment.

Subd. 21. [TON.] "Ton" means a net ton of 2,000 pounds avoirdupois.

Subd. 22. [UNREASONABLE ADVERSE EFFECTS ON THE ENVIRONMENT.] "Unreasonable adverse effects on the environment" means any unreasonable risk to humans or the environment, taking into account the economic, social, and environmental costs and benefits of the use of a fertilizer.

Subd. 23. [WILDLIFE.] "Wildlife" means living things that are not human, domesticated, or pests.

Sec. 4. Minnesota Statutes 1988, section 17.714, subdivision 1, is amended to read:

Subdivision 1. [REGISTRATION FEE; CERTAIN ITEMS.] Fertilizer brands and grades sold only as small package items or represented and labeled as specialty fertilizer; and soil and plant amendments sold with recommendations for commercial agricultural use, shall be registered and a fee paid pursuant to section 17.717. Fees paid for registration made in this manner shall be in lieu of any other license or tonnage fees. A person may not sell brands or grades of specialty fertilizer, soil amendments, or plant amendments in this state unless they are registered with the commissioner.

Sec. 5. Minnesota Statutes 1988, section 17.714, subdivision 3, is amended to read:

Subd. 3. [COPY OF LABEL, LABELING MATERIAL.] Application for registration of a ~~small package fertilizer or a specialty fertilizer~~ or a soil or plant amendment shall be accompanied by:

(a) A label or label facsimile of each product for which registration is requested; and

(b) A copy of all labeling material used in this state for promotion and sale of each product being registered.

Sec. 6. Minnesota Statutes 1988, section 17.714, subdivision 6, is amended to read:

Subd. 6. [MAY NOT SELL WITHOUT REGISTRATION.] No distributor or manufacturer shall sell, offer for sale or distribute in this state any ~~small package fertilizer~~, specialty fertilizer, soil or plant amendment unless it has been registered with the department of agriculture. Registration of such materials is not a warranty by the department or the state.

Sec. 7. Minnesota Statutes 1988, section 17.714, is amended by adding a subdivision to read:

Subd. 7. [EXCEPTION.] Specialty fertilizers custom applied are exempt from the registration requirements of this section.

Sec. 8. [17.7145] [APPLICATION OF REQUIREMENTS TO SEWAGE SLUDGE AND COMPOST.]

Subdivision 1. [PROVISIONS APPLYING TO SEWAGE SLUDGE.] Sewage sludge given away is exempt from all requirements of this chapter except the labeling requirements of this chapter.

Subd. 2. [ANALYSIS MEETS LABELING REQUIREMENTS.] A copy of the sewage sludge analysis required by the rules of the pollution control agency adopted under section 116.07, subdivision 4, is sufficient to meet the labeling requirements.

Subd. 3. [PROVISIONS APPLYING TO COMPOST.] Compost given away is exempt from all requirements of this chapter.

Sec. 9. Minnesota Statutes 1988, section 17.715, subdivision 1, is amended to read:

Subdivision 1. [LICENSED PERSONS.] A person who ~~manufactures, blends, mixes, or otherwise manipulates commercial fertilizer~~

material and a person who stores or distributes bulk fertilizer for resale shall obtain may not sell, distribute, custom apply, or otherwise manipulate fertilizers without obtaining a license from the commissioner for from each fixed location where the person does business within the state where these operations are performed and one license for all fixed locations that are located outside of the state.

Sec. 10. Minnesota Statutes 1988, section 17.715, subdivision 2, is amended to read:

Subd. 2. One license for all fixed locations of a firm which are located outside of the state shall be obtained from the commissioner. A distributor may not manipulate fertilizer by means of a mobile mechanical unit without a license from the commissioner for each mobile mechanical unit.

Sec. 11. Minnesota Statutes 1988, section 17.715, subdivision 4, is amended to read:

Subd. 4. Each license is effective until January 1 next following the date of its issuance or approval. All licenses shall be for the period January 1 to December 31 and shall be renewed thereafter by the licensee on or before January 1 of each year. A license shall is not be transferable from one person to another, or from the ownership to whom issued to another ownership, or from one location to another location.

Sec. 12. Minnesota Statutes 1988, section 17.715, is amended by adding a subdivision to read:

Subd. 6. [UNLICENSED SALES.] No distributor or manufacturer may sell, offer for sale, or distribute a fertilizer in this state without a license under this chapter unless the person is exempt from the licensing requirements in this chapter.

Sec. 13. Minnesota Statutes 1988, section 17.715, is amended by adding a subdivision to read:

Subd. 7. [COPY OF LABEL AND LABELING MATERIAL.] Application for license must include:

(1) an invoice delivery ticket, label, or label facsimile for each product manufactured or made as required by section 17.716; and

(2) a copy of all labeling material used in this state for promotion of each product manufactured or made.

Sec. 14. [17.7151] [APPLICATION REVIEW.]

Subdivision 1. [SUBSTANTIATION OF CLAIMS.] The commissioner may require a person applying for a license or registration to manufacture or distribute a product for use in Minnesota to submit authentic experimental evidence or university research data to substantiate the claims made for the product. As evidence to substantiate claims, the commissioner may rely on experimental data, evaluations, or advice furnished by experts at the University of Minnesota and may accept or reject additional sources of evidence in evaluating a fertilizer or soil or plant amendment. The experimental evidence must relate to conditions in Minnesota for which the product is intended. The commissioner may also require evidence of value when used as directed or recommended.

Subd. 2. [INSUFFICIENT EVIDENCE.] If the commissioner determines that the evidence submitted does not substantiate the product's usefulness in this state, the commissioner may require the applicant to submit samples, conduct tests, or submit additional information, including conditions affecting performance, in order to evaluate its performance and usefulness.

Subd. 3. [REFUSAL TO LICENSE OR REGISTER.] The commissioner may refuse to license a person or register a specialty fertilizer or soil or plant amendment:

- (1) if the application for license or registration is not complete;
- (2) if the commissioner determines that the fertilizer, soil amendment, plant amendment, or any other additives with substantially the same contents, will not or is not likely to produce the results or effects claimed when used as directed;
- (3) if the commissioner determines that the fertilizer, soil amendment, plant amendment, or any other additive with substantially the same contents, is not useful in this state; or
- (4) the facility is not safeguarded for bulk storage under section 17.7155 and as required by rule.

Subd. 4. [APPLICATION REVIEW AND REGISTRATION.] After reviewing the application accompanied by the application fee, the commissioner may issue a conditional license or registration to prevent unreasonable adverse effects on the environment or if the commissioner determines that the applicant needs the license or registration to accumulate information necessary to substantiate claims or to correct minor label violations. The commissioner may prescribe terms, conditions, and a limited period of time for the conditional license or registration. After a conditional license or registration is issued, the commissioner may revoke or modify the license or registration if the commissioner finds that its terms or conditions are being violated or are inadequate to avoid unreasonable adverse effects on the environment.

The commissioner may deny issuance of a conditional license or registration if the commissioner determines that issuance of a license or registration is not warranted or that the use to be made of the product under the proposed terms and conditions may cause unreasonable adverse effects on the environment.

Subd. 5. [PROTECTION OF TRADE SECRETS.] (a) In submitting data required by this chapter, the applicant may:

(1) clearly mark any portions that in the applicant's opinion are trade secrets, or commercial, or financial information; and

(2) submit the marked material separately from other material.

(b) After consideration of the applicant's request submitted under paragraph (a), the commissioner shall not make any information public that in the commissioner's judgment contains or relates to trade secrets or to commercial or financial information obtained from an applicant. When necessary, information relating to formulas of products may be revealed to a state or federal agency consulted with similar protection of trade secret authority and may be revealed at a public hearing or in findings of facts issued by the commissioner.

(c) If the commissioner proposes to release information that the applicant or registrant believes to be protected from disclosure under paragraph (b), the commissioner shall notify the applicant or registrant by certified mail. The commissioner shall not make the information available for inspection until 30 days after receipt of the notice by the applicant or registrant. During this period, the applicant or registrant may institute an action in an appropriate court for a declaratory judgment as to whether the information is subject to protection under this section.

#### Sec. 15. [17.7153] [FERTILIZER PRACTICES.]

The commissioner shall:

(1) establish best management practices and water resources protection requirements involving fertilizer use, distribution, storage, handling, and disposal;

(2) cooperate with other state agencies and local governments to protect public health and the environment from harmful exposure to fertilizer; and

(3) appoint a task force to study the effects and impact on water resources from nitrogen fertilizer use so that best management practices, a fertilizer management plan, and nitrogen fertilizer use regulations can be developed. The task force must include farmers,

representatives from farm organizations, the fertilizer industry, University of Minnesota, environmental groups, representatives of local government involved with comprehensive local water planning, and other state agencies, including the Minnesota pollution control agency, the Minnesota department of health, the Minnesota department of natural resources, the Minnesota state planning agency, the board of animal health, and the board of water and soil resources.

The task force shall review existing research including pertinent research from the University of Minnesota and shall develop recommendations for a nitrogen fertilizer management plan for the prevention, evaluation, and mitigation of nonpoint source occurrences of nitrogen fertilizer in waters of the state. The nitrogen fertilizer management plan must include components promoting prevention and developing appropriate responses to the detection of nitrate and related nitrogen from fertilizer sources in ground or surface water.

The task force shall report its recommendations to the commissioner by May 1, 1990. The commissioner shall report to the environmental quality board by July 1, 1990, on the task force's recommendations. The recommendations of this task force shall be incorporated into an overall nitrate and related nitrogen plan prepared by the pollution control agency and the department of agriculture as set forth in article 1, section 6.

Sec. 16. [17.7154] [PROHIBITED FERTILIZER ACTIVITIES.]

Subdivision 1. [STORAGE, HANDLING, DISTRIBUTION, OR DISPOSAL.] A person may not store, handle, distribute, or dispose of a fertilizer, rinsate, fertilizer container, or fertilizer application equipment in a manner:

(1) that endangers humans, damages agricultural products, food, livestock, fish, or wildlife;

(2) that will cause unreasonable adverse effects on the environment; or

(3) that will cause contamination of public or other waters of the state as defined in section 105.37, subdivisions 7 and 14, from backsiphoning or backflowing of fertilizers through water wells or from the direct flowage of fertilizers.

Subd. 2. [USE OF PUBLIC WATER SUPPLIES FOR FILLING EQUIPMENT.] A person may not fill fertilizer application equipment directly from a public water supply, as defined in section 144.382, unless the outlet from the public water supply is equipped

with a backflow prevention device that complies with Minnesota Rules, parts 4715.2000 to 4715.2280.

Subd. 3. [USE OF PUBLIC WATERS FOR FILLING EQUIPMENT.] A person may not fill fertilizer application equipment directly from public or other waters of the state, as defined in section 105.37, subdivisions 7 and 14, unless the equipment contains proper and functioning anti-backsiphoning mechanisms. The person may not introduce fertilizers into the application equipment until after filling the equipment from the public waters.

Subd. 4. [CLEANING EQUIPMENT IN OR NEAR SURFACE WATER.] A person may not:

(1) clean fertilizer application equipment in surface waters of the state; or

(2) fill or clean fertilizer application equipment adjacent to surface waters, ditches, or wells where, because of the slope or other conditions, fertilizers or materials contaminated with fertilizers could enter or contaminate the surface waters, groundwater, or wells, as a result of overflow, leakage, or other causes.

Subd. 5. [FERTILIZER, RINSATE, AND CONTAINER DISPOSAL.] A person may only dispose of fertilizer, rinsate, and fertilizer containers in accordance with this chapter. The manner of disposal must not cause unreasonable adverse effects on the environment.

Sec. 17. Minnesota Statutes 1988, section 17.7155, is amended to read:

#### 17.7155 [APPROVAL OF FACILITY AND EQUIPMENT.]

Subdivision 1. [APPROVAL CONSTRUCTION PERMIT.] A person beginning construction of or substantially altering an existing facility or equipment used for the manufacture, blending, handling, or bulk storage of commercial fertilizers, soil or plant amendments shall must obtain the approval of a permit from the commissioner on forms provided by the commissioner before the person constructs or substantially alters:

(1) safeguards; or

(2) an existing facility used for the manufacture, blending, handling, or bulk storage of fertilizers, soil amendments, or plant amendments. The commissioner may not grant a permit for a site without safeguards that are adequate to prevent the escape or movement of the fertilizers from the site.

Subd. 2. [TRANSFER PERMIT FEES.] The approval shall not be transferable from one person to another, or from the ownership to whom issued to another ownership, or from one location to another. (a) An application for a new facility must be accompanied by a nonrefundable application fee of \$100 for each location where fertilizer is stored.

(b) An application to substantially alter a facility must be accompanied by a nonrefundable \$50 fee.

(c) In addition to the fees under paragraphs (a) and (b), a fee of \$250 must be paid by an applicant who begins construction or substantial alteration before a permit is issued.

(d) An application for a facility that includes both fertilizers, as regulated under this chapter, and pesticides, as regulated under chapter 18B, shall pay only one application fee of \$100.

Sec. 18. [17.7156] [CHEMIGATION.]

Subdivision 1. [PERMIT REQUIRED:] (a) A person may not apply fertilizers through an irrigation system without a chemigation permit from the commissioner. A chemigation permit is required for one or more wells, or other irrigation water source, that is protected from fertilizer contamination by devices as required by rule. The commissioner may allow irrigation to be used to apply fertilizers on crops and land, including agricultural, nursery, turf, golf course, and greenhouse sites.

(b) A person must apply for a chemigation permit on forms prescribed by the commissioner.

Subd. 2. [EQUIPMENT.] A chemigation system must be fitted with effective antisiphon devices or check valves that prevent the backflow of fertilizers or fertilizer-water mixtures into water supplies or other materials during times of irrigation system failure or equipment shutdown. The devices or valves must be installed between:

(1) the irrigation system pump or water source discharge and the point of fertilizer injection; and

(2) the point of fertilizer injection and the fertilizer supply.

Subd. 3. [APPLICATION FEE.] A person initially applying for a chemigation permit must pay a nonrefundable application fee of \$50. A person who holds a valid pesticide chemigation permit as required by chapter 18B is exempt from the fee in this subdivision.

Subd. 4. [RULES.] The commissioner shall, by rule, develop

specific requirements for implementation of a program to regulate application of fertilizers by irrigation.

Sec. 19. Minnesota Statutes 1988, section 17.716, subdivision 1, is amended to read:

Subdivision 1. [LABEL CONTENTS.] Any ~~commercial~~ fertilizer offered for sale or sold or distributed in this state in bags, or other containers, shall must have placed on or affixed to the container a label setting forth in clearly legible and conspicuous form the following information: ~~(a) (1) the net weight; (b) (2) the brand and grade. When, except that the grade is not required if no primary nutrients are claimed, and if the commercial fertilizer material is used solely for agricultural purposes, inclusion of the grade on the tag or label, shall be is optional providing if the guaranteed analysis statement is shown in the complete form as in section 17.713, subdivision 8; (c) (3) the guaranteed analysis; (d) (4) the name and address of the guarantor; (5) directions for use; and (6) a derivatives statement. Such This information, if not appearing on the face or display side of the container in a conspicuous form, shall must appear on the upper one third of the side of the container, or on the upper end of the container or shall must be printed on tags affixed conspicuously to the upper end of the container.~~

Sec. 20. Minnesota Statutes 1988, section 17.716, subdivision 2, is amended to read:

Subd. 2. [BLENDS AND MIXTURES.] Any distributor who blends or mixes fertilizer materials to a customer's order without a guaranteed analysis of the final mixture shall furnish each and every purchaser, in written or printed form, an invoice or delivery ticket showing the net weight and guaranteed analysis of each and every one of the materials used in the mixture, ~~which shall. This document must accompany the delivery. Records of invoices or delivery tickets must be kept for five years after the delivery or application.~~

Sec. 21. Minnesota Statutes 1988, section 17.716, subdivision 4, is amended to read:

Subd. 4. The plant food content of a given lot must remain uniform and may not become segregated within the lot.

Sec. 22. Minnesota Statutes 1988, section 17.717, is amended to read:

17.717 [LICENSE, INSPECTION, AND REGISTRATION FEES.]

Subdivision 1. [LICENSE FEE.] ~~Each An~~ application for a license

from each fixed location within the state ~~shall~~ must be accompanied by a fee of ~~\$50~~ \$100 fee.

A fee of ~~\$50~~ \$100 must accompany the application for a license for all fixed locations of each firm outside of the state. In the case of mobile mechanical units, each unit owned and operated by any one distributor ~~shall~~ must be licensed at a rate of ~~\$50~~ \$100 for the first unit and ~~\$25~~ \$50 for each additional mobile mechanical unit.

Subd. 1a. [FERTILIZER INSPECTION ACCOUNT.] A fertilizer inspection account is established in the state treasury. The commissioner shall deposit all fees and penalties collected under sections 17.711 to 17.729 in the fertilizer inspection account. Money in that account, including interest earned and any money appropriated for the purposes of sections 17.711 to 17.729, is annually appropriated to the commissioner for the administration and enforcement of sections 17.711 to 17.729.

Subd. 3. [~~SMALL PACKAGE, SPECIALTY FERTILIZER.~~] ~~Each~~ An application for registration of a ~~commercial fertilizer material sold as a small package or as a specialty fertilizer~~ shall be accompanied by a registration and inspection fee of ~~\$50~~ \$100 for each brand and grade to be sold or distributed. This shall be in accordance with the provisions of section 17.714, subdivision 1.

Subd. 4. [SOIL AMENDMENT, PLANT AMENDMENT.] Each application for registration of a soil amendment or plant amendment shall be accompanied by a registration and inspection fee of ~~\$100~~ \$200 for each brand sold or distributed. This shall be in accordance with the provisions of section 17.714, subdivision 1.

Subd. 4a. [ADDITIONAL FEE AFTER JANUARY 1 OR JULY 1.] If an application for renewal of a fertilizer ~~blending~~ license or registration of a ~~small package fertilizer, specialty fertilizer, soil amendment or plant amendment~~ is not filed prior to January 1 or July 1 of any year, as required, an additional fee amounting to 50 percent of the amount due shall be assessed before the renewal license or registration may be issued.

Subd. 5. [INSPECTION FEES.] There shall be paid to the commissioner for all ~~commercial fertilizers and soil and plant amendments~~ offered for sale, sold, or distributed in this state an inspection fee at the rate of ~~ten~~ 15 cents per ton, with a minimum fee of \$10. Products sold to manufacturers or exchanged between them are hereby exempted from the fee imposed by this subdivision when used exclusively for manufacturing purposes. ~~Inspection fees of products registered under provisions of subdivisions 3 and 4, are also exempted.~~

Subd. 6. [ADDITIONAL FEE.] An additional fee of 100 percent of

the amount due must be paid by the applicant for each license or registration for products distributed or used in the state before initial state licensing or registration.

Sec. 23. Minnesota Statutes 1988, section 17.718, is amended to read:

17.718 [TONNAGE REPORT.]

Subdivision 1. [SEMIANNUAL STATEMENT.] Each licensed distributor of ~~commercial~~ fertilizer and each registrant of a ~~commercial~~ specialty fertilizer, soil amendment, or plant amendment shall file with the commissioner on forms furnished by the commissioner, a semiannual statement for the periods ending December 31 and June 30 setting forth the number of net tons of each brand or grade of commercial fertilizer, soil amendment, or plant amendment distributed in this state during the reporting period. A report from a licensee who sells to an ultimate consumer must be accompanied by records or invoice copies indicating the name of the distributor who paid the inspection fee, the net tons received, and the grade or brand name of the products received. The report is due on or before the ~~30th~~ 31st of the month following the close of each reporting period of each calendar year. The inspection fee at the rate stated in section 17.717, subdivision 5 shall accompany the statement. For the tonnage report that is not filed or the payment of inspection fees that is not made within ~~30~~ 31 days after the end of the reporting period, a penalty of ten percent of the amount due, with a minimum penalty of ~~\$10~~ \$25, shall be assessed against the licensee or registrant, and the total amount of fees due, plus penalty, shall constitute a debt and may be recovered in a civil action against the licensee or registrant. The assessment of this penalty shall not prevent the department from taking other actions as provided in this chapter. The commissioner may by rule require additional reports for the purpose of gathering statistical data relating to fertilizer, soil amendments, and plant amendments distribution in the state.

Subd. 2. When more than one person is involved in the distribution of a ~~commercial~~ fertilizer, soil amendment, or plant amendment, the last ~~person licensed distributor who imports, manufactures, or produces the fertilizer or who has the specialty fertilizer, soil amendment, or plant amendment registered and who distributes to a nonlicensed or nonregistrant dealer or consumer~~ is responsible for the inspection fee on products produced or brought into this state after July 1, 1989. The distributor must separately list the inspection fee on the invoice to the licensee. The last licensee must retain the invoices showing proof of inspection fees paid for three years and must pay the inspection fee on products brought into this state before July 1, 1989, unless the reporting and paying of fees have been made by a prior distributor of the fertilizer.

Subd. 3. Submission of each tonnage report ~~shall~~ is also ~~be~~

authority for the commissioner's permission to verify the records upon which such the statement of tonnage is based.

Sec. 24. Minnesota Statutes 1988, section 17.719, subdivision 1, is amended to read:

Subdivision 1. [POWERS AND DUTIES OF COMMISSIONER ACCESS AND ENTRY.] The commissioner shall sample, inspect, make analysis of, and test commercial fertilizers, soil amendments and plant amendments offered for sale, sold, or distributed within this state at a time and place and to an extent the commissioner may deem necessary to determine whether the commercial fertilizers, soil amendments and plant amendments are in compliance with the provisions of sections 17.711 to 17.729, and may obtain additional information as the commissioner deems advisable. The commissioner is authorized to enter upon any public or private premises during regular business hours in order to have access to commercial fertilizers, soil amendments, and plant amendments subject to the provisions of sections 17.711 to 17.729 and rules adopted under section 17.725. (a) The commissioner, upon presentation of official department credentials, must be granted access at reasonable times without delay to sites:

(1) where a person manufactures, formulates, distributes, uses, disposes of, stores, or transports a fertilizer, soil amendment, or plant amendment; and

(2) which the commissioner reasonably believes are affected, or possibly affected, by the use of a fertilizer, soil amendment or plant amendment, or device in violation of a provision of this chapter.

(b) The commissioner may enter sites for:

(1) inspection of equipment for the manufacture, blending, distribution, disposal, or application of fertilizers, soil amendments or plant amendments, and the premises on which the equipment is stored;

(2) sampling of sites actually or reportedly exposed to fertilizers, soil amendments, or plant amendments;

(3) inspection of storage, handling, distribution, use, or disposal areas of fertilizer, soil amendments, or plant amendments containers;

(4) inspection or investigation of complaints of injury to the environment;

(5) sampling of fertilizers, soil amendments, or plant amendments;

(6) observation of the use and application of a fertilizer, soil amendments, or plant amendments;

(7) inspection of records related to the manufacture, distribution, storage, handling, use, or disposal of fertilizer, soil amendments, or plant amendments;

(8) investigating the source, nature, extent of an incident, and the extent of the adverse effects on the environment;

(9) an emergency inspection at any time when a suspected incident may threaten public health or the environment; and

(10) other purposes necessary to implement this chapter.

Sec. 25. Minnesota Statutes 1988, section 17.719, subdivision 2, is amended to read:

Subd. 2. [OFFICIAL SAMPLE INSPECTION SAMPLES AND ANALYSES.] An official fertilizer, soil amendment or plant amendment sample shall be one drawn from a lot or shipment of fertilizer, soil amendment or plant amendment sold or exposed for sale in this state in the manner prescribed by the commissioner. In sampling a lot of commercial fertilizer, soil amendment or plant amendment registered under section 17.714, subdivision 1, a single package may constitute the official sample. (a) Before leaving the premises the commissioner shall provide the owner, operator, or agent in charge of an inspected site with a receipt describing any samples obtained. If an analysis is made of the samples, a copy of the results of the analysis must be furnished to the owner, operator, or agent in charge.

(b) The methods of sampling and analysis shall be those adopted by the Association of Official Analytical Chemists. In cases not covered by such methods, or in cases where methods are available in which improved applicability has been demonstrated, the commissioner may adopt such appropriate methods from other sources.

In sampling a lot of fertilizer, soil amendment, or plant amendment registered under section 17.714, subdivision 1, a single package may constitute the official sample.

Sec. 26. Minnesota Statutes 1988, section 17.719, subdivision 3, is amended to read:

Subd. 3. [METHODS OF ANALYSIS POWERS OF COMMISSIONER.] The methods of analysis shall be those adopted by the commissioner from published sources such as those of the association of official analytical chemists. In making inspections under this chapter, the commissioner shall have the power to administer oaths,

certify as to official acts, take and cause to be taken depositions of witnesses, issue subpoenas, and compel the attendance of witnesses and production of papers, books, documents, records, and testimony. In case of failure of any person to comply with any subpoena lawfully issued, or on the refusal of any witness to produce evidence or to testify to any matter regarding which the person may be lawfully interrogated, the district court shall, upon application of the commissioner, compel obedience proceedings for contempt, as in the case of disobedience of the requirements of a subpoena issued by the court or a refusal to testify therein.

Sec. 27. Minnesota Statutes 1988, section 17.719, subdivision 4, is amended to read:

Subd. 4. [INSPECTION; SAMPLING; ANALYSIS REQUEST FOR INSPECTION.] The commissioner shall inspect facilities and equipment used for the manufacture, blending, handling, or storing of commercial fertilizers or soil and plant amendments. The commissioner is authorized to enter upon any public or private premises during regular business hours in order to have access to facilities and equipment used to manufacture, blend, handle, or store commercial fertilizers or soil and plant amendments subject to the provisions of sections 17.711 to 17.729 and rules adopted under section 17.725. Any person who believes that a violation of this chapter has occurred may request an inspection by giving notice to the commissioner of such violation. Any such notice shall be in writing, shall set forth with reasonable particularity the grounds for the notice, and shall be signed by the person. If, upon receipt of such notice, the commissioner reasonably believes that such violation occurred, the commissioner shall, as soon as is practicable, make a special inspection in accordance with the provisions of this section to determine if such violation occurred. An inspection conducted pursuant to a complaint may cover an entire site and shall not be limited to that portion of the site specified in the notice. If the commissioner determines that there are no reasonable grounds to believe that such a violation occurred, the commissioner shall notify the person in writing of such determination.

Sec. 28. Minnesota Statutes 1988, section 17.719, is amended by adding a subdivision to read:

Subd. 5. [ORDER.] Upon the refusal or anticipated refusal, based on a refusal to permit entrance on a prior occasion, of an owner, operator, or agent in charge to permit entry as specified in this chapter, the commissioner may apply for an order in the district court in the county in which a site is located, that permits the commissioner to enter and inspect the site.

Sec. 29. Minnesota Statutes 1988, section 17.719, is amended by adding a subdivision to read:

Subd. 6. [EXEMPTIONS FROM SUBPOENA AUTHORITY.] (a) Neither the commissioner nor any employee of the department, including those employees of other approved agencies providing services to the department, is subject to subpoena for purposes of inquiry into any inspection except in enforcement proceedings brought under this chapter.

(b) Once an inspection file is closed by the commissioner, the commissioner shall, upon request from any person, certify as official department records any information contained in a file which is public information.

Sec. 30. Minnesota Statutes 1988, section 17.719, is amended by adding a subdivision to read:

Subd. 7. [PAYMENT OF COSTS.] If an inspection or investigation reveals that a violation of this chapter has occurred, the commissioner may require the violator to pay the commissioner for the reasonable costs incurred by the commissioner in that inspection or investigation. The commissioner may enter an order for recovery of such costs.

Sec. 31. Minnesota Statutes 1988, section 17.72, is amended to read:

**17.72 [FERTILIZER, SOIL AMENDMENT OR PLANT AMENDMENT-PESTICIDE MIXTURE.]**

Each distributor who blends, mixes, or otherwise adds pesticides to commercial fertilizer materials, fertilizers, soil amendments or plant amendments shall be licensed in accordance with section 17.715, and shall comply with the provisions of sections 18A.21 to 18A.45 article 3 and the federal insecticide, fungicide and rodenticide act (Public Law 92-516), as amended.

Sec. 32. Minnesota Statutes 1988, section 17.721, is amended by adding a subdivision to read:

Subd. 3. [PLANT FOOD DEFICIENCIES.] Paragraphs (a) to (d) cover plant food deficiencies.

(a) Analysis must show that a fertilizer is deficient (1) in one or more of its guaranteed primary plant nutrients beyond the investigational allowances and compensations as established by regulation, or (2) if the overall index value of the fertilizer is shown below the level established by rule.

(b) A deficiency in an official sample of mixed fertilizer resulting from nonuniformity is not distinguishable from a deficiency due to

actual plant nutrient shortage and is properly subject to official action.

(c) For the purpose of determining the commercial index value to be applied, the commissioner shall determine at least annually the values per unit of nitrogen, available phosphoric acid, and soluble potash in fertilizers in this state.

(d) If any fertilizer in the possession of the consumer is found by the commissioner to be short in weight, the registrant or licensee of the fertilizer must within 30 days after official notice from the commissioner submit to the consumer a penalty payment of two times the value of the actual shortage.

Sec. 33. Minnesota Statutes 1988, section 17.722, is amended to read:

#### 17.722 [FALSE OR MISLEADING STATEMENTS.]

The ~~commercial~~ fertilizer, soil amendment or plant amendment is misbranded if it carries a false or misleading statement on the container, on the label attached to the container, or if false or misleading statements concerning the fertilizer, soil amendment or plant amendment are disseminated in any manner or by any means. It is unlawful to distribute a misbranded fertilizer, soil amendment or plant amendment.

Sec. 34. Minnesota Statutes 1988, section 17.723, is amended to read:

#### 17.723 [ADULTERATION.]

No person shall distribute an adulterated fertilizer, soil amendment or plant amendment product. A ~~commercial~~ fertilizer, soil amendment or plant amendment shall be deemed to be adulterated: (a) If it contains any deleterious or harmful ingredient in sufficient amount to render it injurious to plant life when applied in accordance with directions for use on the label; or (b) If its composition falls below or differs from that which it is purported to possess by its labeling; or (c) If it contains unwanted crop seed or weed seed.

Adulterated products that cannot be reconditioned must be disposed of according to approved methods approved by the commissioner.

Sec. 35. Minnesota Statutes 1988, section 17.725, subdivision 2, is amended to read:

Subd. 2. [LIMING MATERIALS.] The commissioner may adopt rules governing the labeling, registration, and distribution of liming

materials sold for agricultural purposes, including limestone (carbonates), sulfates, slags (silicates), burned lime (oxides), and hydrated lime (hydroxides). Such products shall not be subject to any tonnage fees under section 17.717, subdivision 4. No registration fee may be imposed on any distributor who sells liming materials only at retail to customers.

Sec. 36. Minnesota Statutes 1988, section 17.725, is amended by adding a subdivision to read:

Subd. 4. [NATIONAL CONFORMITY.] The commissioner may promulgate and amend rules for the efficient administration and enforcement of the Minnesota fertilizer, soil amendment and plant amendment law. The rules must conform with national standards, insofar as that is practicable and consistent with state law.

Sec. 37. Minnesota Statutes 1988, section 17.725, is amended by adding a subdivision to read:

Subd. 5. [HEARINGS.] Hearings authorized or required by law must be conducted by the commissioner or an officer, agent, or employee the commissioner designates.

Sec. 38. Minnesota Statutes 1988, section 17.725, is amended by adding a subdivision to read:

Subd. 6. [ADOPTION OF NATIONAL STANDARDS.] Applicable national standards contained in the 1989 official publication number 42, of the Association of American Plant Food Control Officials including the rules and regulations, statements of uniform interpretation and policy, and the official fertilizer terms and definitions, and not otherwise adopted by the commissioner, may be adopted as fertilizer rules of this state.

Sec. 39. Minnesota Statutes 1988, section 17.728, subdivision 1, is amended to read:

Subdivision 1. [REGISTRATION.] The commissioner may cancel the registration of any ~~commercial~~ specialty fertilizer, soil amendment or plant amendment or refuse to register any brand of ~~commercial~~ specialty fertilizer, soil amendment or plant amendment as herein provided, upon satisfactory evidence that the registrant has used fraudulent or deceptive practices in the evasion or attempted evasion of the provisions of sections 17.711 to 17.729 or any rules adopted under section 17.725. No registration shall be revoked until the registrant has been given opportunity for a hearing by the commissioner.

Sec. 40. Minnesota Statutes 1988, section 17.728, is amended by adding a subdivision to read:

Subd. 6. [ENFORCEMENT REQUIRED.] (a) The commissioner shall enforce this chapter.

(b) Upon the request of the commissioner, county attorneys, sheriffs, and other officers having authority in the enforcement of the general criminal laws shall take action to the extent of their authority necessary or proper for the enforcement of this chapter or special orders, standards, stipulations, and agreements of the commissioner.

(c) The commissioner shall have authority by administrative order to assess penalties of up to \$5,000 for a violation of a provision of this chapter.

(d) In determining the size of a penalty, the commissioner shall give due consideration to the economic benefit gained by the person by allowing or committing the violation, the gravity of the violation in terms of actual or potential damage to the environment, and the violator's culpability, good faith, and history of violations.

(e) The administrative penalty may be assessed if the person subject to a corrective action order or remedial action order does not comply with the order in a reasonable time as provided in the order. The commissioner must state the amount of the administrative penalty in the corrective action order or remedial action order.

(f) Penalties assessed under this chapter shall be paid to the commissioner for deposit in the fertilizer regulatory account. If a violator fails to pay a penalty which is part of a final order within 30 days, the commissioner may commence a civil action for double the assessed penalty and attorney fees and costs. Any penalty may be recovered in a civil action in the name of the department brought in the district court of the county where the violation is alleged to have occurred or the district court where the commissioner has an office.

Sec. 41. Minnesota Statutes 1988, section 17.728, is amended by adding a subdivision to read:

Subd. 7. [CRIMINAL ACTIONS] For a criminal action, the county attorney from the county where a criminal violation occurred is responsible for prosecuting a criminal violation of this chapter. If the county attorney refuses to prosecute, the attorney general may prosecute.

Sec. 42. Minnesota Statutes 1988, section 17.728, is amended by adding a subdivision to read:

Subd. 8. [CIVIL ACTIONS.] Civil judicial enforcement actions may be brought by the attorney general in the name of the state on behalf of the commissioner. A county attorney may bring a civil

judicial enforcement action upon the request of the commissioner and agreement by the attorney general.

Sec. 43. Minnesota Statutes 1988, section 17.728, is amended by adding a subdivision to read:

Subd. 9. [INJUNCTION.] The commissioner may apply to a court with jurisdiction for a temporary or permanent injunction to prevent, restrain, or enjoin violations of this chapter.

Sec. 44. [17.7281] [ADMINISTRATIVE ACTION.]

Subdivision 1. [ADMINISTRATIVE REMEDIES.] The commissioner may seek to remedy violations by a written warning, administrative meeting, cease and desist, stop-use, stop-sale removal, or other special order, seizure, stipulation, agreement, or administrative penalty if the commissioner determines that the remedy is in the public interest.

Subd. 2. [REVOCAION AND SUSPENSION.] The commissioner may, after written notice and hearing, revoke, suspend, or refuse to grant a registration, permit, license, or certification if a person violates this chapter or has a history within the past three years of violations of this chapter.

Subd. 3. [SERVICE OF ORDER OR NOTICE.] If the person is not available for service of an order, the commissioner may attach the order to the fertilizer, soil amendment or plant amendment equipment, or device or facility, and notify the person. The fertilizer, soil amendment, or plant amendment, equipment, or device may not be sold, used, or removed until the fertilizer, soil amendment, or plant amendment equipment, or device has been released under conditions specified by the commissioner, an administrative law judge, or a court.

Sec. 45. [17.7282] [ADMINISTRATIVE COMPLIANCE.]

Subdivision 1. [DUTY TO RESPOND.] After service of an order, a person shall be granted at least 45 days from receipt of the order within which to notify the commissioner in writing that the person intends to contest the order. If the person fails properly to notify the commissioner that the person intends to contest the order, the order shall be deemed a final order of the agency and not subject to review by any court or agency.

Subd. 2. [ADMINISTRATIVE REVIEW.] (a) If a person notifies the commissioner that the person intends to contest an order issued under this chapter, the state office of administrative hearings shall conduct a hearing in accordance with the applicable provisions of chapter 14 for hearings. A hearing shall be conducted at a place

designated by the commissioner within the county where the violation occurred or where the person contesting the order resides or has a principal place of business or any other place on which all the parties agree.

(b) Notwithstanding any provision of chapter 14, the final administrative law report shall be the final decision of the agency. Only an administrative law judge, under rules adopted by the office of administrative hearings, may entertain any application or reconsideration of a final agency decision.

Subd. 3. [JUDICIAL REVIEW.] (a) The commissioner or any party aggrieved by a final agency decision may seek judicial review of a final agency decision under sections 14.63 to 14.69.

(b) Any additional evidence required by a reviewing court under section 14.67 shall be taken by an administrative law judge. Only an administrative law judge may change the agency decision or any findings contained in it. The administrative law judge shall file with the reviewing court the additional evidence, together with any modifications or new findings or decisions as provided in section 14.67.

Subd. 4. [RECOVERING EXPENSES.] A prevailing party, including the commissioner, may recover the reasonable and necessary expenses incurred in a contested case or an appeal from a contested case.

Sec. 46. [17.7283] [CIVIL PENALTIES.]

Subdivision 1. [GENERAL PENALTY.] Except as provided in subdivision 2, a person who violates a provision of this chapter or a special order, standard, stipulation, agreement, or schedule of compliance of the commissioner is subject to a civil penalty of up to \$5,000 per day of violation as determined by the court.

Subd. 2. [DISPOSAL THAT BECOMES HAZARDOUS WASTE.] A person who violates a provision of this chapter or a special order, standard, stipulation, agreement, or schedule of compliance of the commissioner that relates to disposal of fertilizers, soil amendments, or plant amendments so that they become hazardous waste, is subject to the penalties in section 115.071.

Subd. 3. [DEFENSE TO CIVIL REMEDIES AND DAMAGES.] As a defense to a civil penalty or claim for damages under subdivisions 1 to 4, the defendant may prove that the violation was caused solely by an act of God, an act of war, or an act or failure to act that constitutes sabotage or vandalism, or any combination of these defenses.

Subd. 4. [ACTIONS TO COMPEL PERFORMANCE.] In an action to compel performance of an order of the commissioner to enforce a provision of this chapter, the court may require a defendant adjudged responsible to perform the acts within the person's power that are reasonably necessary to accomplish the purposes of the order.

Subd. 5. [RECOVERY OF PENALTIES BY CIVIL ACTION.] The civil penalties and payments provided for in this section may be recovered by a civil action brought by the county attorney or the attorney general in the name of the state.

Subd. 6. [RECOVERY OF LITIGATION COSTS AND EXPENSES.] A prevailing party may recover the reasonable and necessary value of all or a part of the litigation expenses incurred in an action brought under this chapter for civil penalties or injunctive relief, or in an action to compel compliance. In determining the amount of these litigation expenses to be allowed, the court shall give consideration to the economic circumstances of the defendant.

Sec. 47. [17.7284] [CRIMINAL PENALTIES.]

Subdivision 1. [GENERAL VIOLATION.] Except as provided in subdivisions 2 and 3, a person is guilty of a misdemeanor, if the person violates a provision of this chapter, or a special order, standard, stipulation, agreement, or schedule or compliance of the commissioner.

Subd. 2. [VIOLATION ENDANGERING HUMANS.] A person is guilty of a gross misdemeanor if the person violates a provision of this chapter or a special order, standard, stipulation, agreement, or schedule of compliance of the commissioner, and the violation endangers humans.

Subd. 3. [VIOLATION WITH KNOWLEDGE.] A person is guilty of a gross misdemeanor if the person knowingly violates a provision of this chapter or standard, or a special order, stipulation, agreement, or schedule of compliance of the commissioner.

Subd. 4. [DISPOSAL THAT BECOMES HAZARDOUS WASTE.] A person who knowingly, or with reason to know, disposes of a fertilizer or soil and plant amendment so that the product becomes hazardous waste is subject to the penalties in section 115.071.

Sec. 48. Minnesota Statutes 1988, section 17.7285, is amended to read:

17.7285 [INCIDENTS.]

The commissioner may apply appropriate, efficient procedures to

contain and control fertilizers and soil and plant amendments involved in an emergency incident likely to cause unreasonable adverse effects on the environment. For purposes of this section "incident" includes a flood, fire, tornado, or motor vehicle accident, which unintentionally releases fertilizers and soil and plant amendments on the environment. Persons involved in or responsible for an incident shall report the incident to the commissioner immediately upon discovering the incident. The department of agriculture shall be the lead government agency for decisions involving the emergency.

Sec. 49. [17.7286] [FERTILIZER RELEASE INCIDENTS.]

Subdivision 1. [CORRECTIVE ACTION ORDERS.] A responsible party or an owner of real property must, upon discovering that an incident has occurred, immediately report that incident to the commissioner. The responsible party must submit a written report of the incident to the commissioner containing the information requested by the commissioner within the time specified by the commissioner. After determining an incident has occurred, the commissioner may order the responsible party to take reasonable and necessary corrective actions. The commissioner shall notify the owner of real property where corrective action is ordered that access to the property will be required for the responsible party or the commissioner to take corrective action. A political subdivision may not request or order any person to take an action that conflicts with the corrective action ordered by the commissioner. The attorney general may bring an action to compel corrective action.

Subd. 2. [COMMISSIONER AND COMPELLED PERFORMANCE CORRECTIVE ACTIONS.] The commissioner may take corrective action if:

- (1) a responsible party cannot be identified; or
- (2) an identified responsible party cannot or will not comply with an order issued under subdivision 1.

Subd. 3. [EMERGENCY CORRECTIVE ACTION.] To assure an adequate response to an incident, the commissioner may take corrective action without following the procedures of subdivision 1 if the commissioner determines that the incident constitutes a clear and immediate danger requiring immediate action to prevent, minimize, or mitigate damage to the public health and welfare or the environment. Before taking an action under this subdivision, the commissioner shall make all reasonable efforts, taking into consideration the urgency of the situation, to order a responsible party to take a corrective action and notify the owner of real property where the corrective action is to be taken.

Subd. 4. [LEAD AGENCY.] The department of agriculture is the lead state agency in taking corrective action for incidents.

Subd. 5. [CONTINGENCY PLAN.] Persons storing bulk fertilizers or soil and plant amendment products must develop and maintain a contingency plan that describes the storage, handling, disposal, and incident handling practices. The plan must be kept at a principal business site or location within this state and must be submitted to the commissioner upon request. The plan must be available for inspection by the commissioner.

Sec. 50. [17.7287] [LIABILITY.]

Subdivision 1. [LIABILITY.] (a) A responsible party is liable for the costs, including administrative costs, for corrective action under section 49. The commissioner may issue an order for recovery of corrective action costs. The cleanup costs and other expenses must be paid after a corrective order is issued.

(b) A responsible party is also liable for the costs of any destruction to wildlife. Payments of these costs must be deposited in the game and fish fund in the state treasury.

Subd. 2. [AVOIDANCE OF LIABILITY.] (a) A responsible party may not avoid liability by a conveyance of any right, title, or interest in real property or by any indemnification, hold harmless agreement, or similar agreement.

(b) This subdivision does not:

(1) prohibit a person who may be liable from entering an agreement by which the person is insured, held harmless, or indemnified for part or all of the liability;

(2) prohibit the enforcement of an insurance, hold harmless, or indemnification agreement; or

(3) bar a cause of action brought by a person who may be liable or by an insurer or guarantor, whether by right of subrogation or otherwise.

Subd. 3. [OWNER OF REAL PROPERTY.] An owner of real property is not a responsible party for an incident on the property unless that person:

(1) was engaged in manufacturing, making, transporting, storing, handling, applying, distributing, or disposing of a fertilizer on the property;

(2) knowingly permitted any person to make regular use of the property for disposal of fertilizers; or

(3) violated this chapter in a way that contributed to the incident.

Subd. 4. [DEFENSE.] As a defense to a penalty or liability for damages, a person may prove that the violation was caused solely by an act of God, an act of war, or an act or failure to act that constitutes sabotage or vandalism, or any combination of these defenses.

Sec. 51. [17.7288] [APPORTIONMENT AND CONTRIBUTION.]

Subdivision 1. [RIGHT OF APPORTIONMENT; FACTORS.] A person held liable under this chapter has the right to have the trier of fact apportion liability among the parties as provided in this section. The burden is on each responsible party to show how that responsible party's liability should be apportioned. The trier of fact shall reduce the amount of damages in proportion to any amount of liability apportioned to the party recovering.

In apportioning the liability of a party under this section, the trier of fact shall consider the following:

- (1) the extent to which that party contributed to the incident;
- (2) the amount of fertilizer, soil amendment, or plant amendment involved;
- (3) the degree of toxicity of the fertilizer, soil amendment, or plant amendment involved;
- (4) the degree of involvement of and care exercised by the party in manufacturing, blending, handling, storing, distributing, transporting, applying, and disposing of the fertilizer, soil amendment, or plant amendment;
- (5) the degree of cooperation by the party with federal, state, or local officials to prevent any harm to the public health or the environment; and
- (6) knowledge by the party of the hazardous nature of the fertilizer, soil amendment, or plant amendment.

Subd. 2. [CONTRIBUTION.] If a person is held liable under this chapter and establishes a proportionate share of the aggregate liability, section 604.02, subdivisions 1 and 2, apply with respect to contribution and reallocation of any uncollectible amounts, except that an administrative law judge may also perform the functions of a court identified in section 604.02, subdivision 2.

Sec. 52. Minnesota Statutes 1988, section 17.73, subdivision 5, is amended to read:

Subd. 5. [CERTIFICATION FEES.] (a) A laboratory applying for certification shall pay an application fee of \$100 and a certification fee of \$100 before the certification is issued.

(b) Certification is valid for one year and the renewal fee is \$100. The commissioner shall charge an additional application fee of \$100 if a certified laboratory allows certification to lapse before applying for renewed certification.

(c) The commissioner shall notify a certified lab that its certification lapses within 30 to 60 days of the date when the certification lapses.

(d) Fees collected under this subdivision must be deposited in the state treasury and credited to the laboratory services account. The money in the account is annually appropriated to the commissioner to administer this section.

#### Sec. 53. [EMPLOYEES; COMPENSATION.]

The commissioner may employ necessary agents and assistants to administer and enforce this chapter, none of whom, except those who are employed on a full-time basis, shall come within or be governed by chapter 43A. The compensation for the unclassified employees shall be on the basis of a rating and salary scale determined by the commissioner's plan of the department of employee relations or the appropriate bargaining unit contract.

#### Sec. 54. [REPEALER.]

Minnesota Statutes 1988, sections 17.714, subdivisions 4, 4a, and 4b; 17.715, subdivision 3; 17.721; 17.726; 17.727; 17.728, subdivisions 4 and 5; 17.729; and 17.73, subdivision 5, paragraph (d), are repealed.

### ARTICLE 3 PESTICIDE CONTROL

#### Section 1. [17.114] [SUSTAINABLE AGRICULTURE.]

Subdivision 1. [PURPOSE.] The purpose of this section is to assure the viability of Minnesota agriculture.

Subd. 2. [REPORT.] The commissioner of agriculture shall investigate, demonstrate, report on, and make recommendations on the current and future sustainability of Minnesota agriculture.

Subd. 3. [DEFINITIONS.] For purposes of this section, the following definitions apply:

(a) "Sustainable agriculture" represents the best aspects of traditional and modern agriculture by using a fundamental understanding of nature, as well as the latest scientific advances to create integrated, self-reliant, resource conserving practices that increase farm profitability, maintain or improve the quality of soil and water resources, and lessen dependency on nonrenewable resources, and thereby enhance the enrichment of the environment and provide short- and long-term productive agriculture.

(b) "Integrated pest management" means use of a combination of approaches, incorporating the judicious application of ecological principles, management techniques, cultural and biological controls, and chemical methods, to keeping pests below levels where they do economic damage.

Subd. 4. [DUTIES.] The commissioner shall:

(1) establish a task force of appropriate agencies and organizations to assist the department by:

(i) recommending indices or measures to assess the long-term sustainability of Minnesota agriculture;

(ii) assisting the commissioner in evaluating the identified trends;

(iii) identifying new innovations; and

(iv) suggesting state policies and programs that may be needed to assure the sustainability of Minnesota agriculture and related natural resources;

(2) establish a clearinghouse and provide information, appropriate educational opportunities, and other assistance to individuals, producers, and groups about sustainable agricultural techniques, practices, and opportunities;

(3) survey producers, support services, and organizations to determine information and research needs in the area of sustainable agricultural practices;

(4) demonstrate the applicability of sustainable agriculture practices to Minnesota conditions;

(5) coordinate the efforts of state agencies regarding activities relating to sustainable agriculture;

(6) direct the programs of the department so as to work toward the sustainability of Minnesota agriculture;

(7) inform agencies of how state or federal programs could utilize and support sustainable agriculture practices;

(8) work with farmers, the University of Minnesota, public post-secondary institutions, and other appropriate organizations to identify opportunities and needs as well as promote cooperation, assure coordination, and avoid duplication of efforts regarding research, teaching, and extension work relating to sustainable agriculture; and

(9) report to the legislature every odd-numbered year on at least the following:

(i) the presentation and analysis of findings regarding the current status and trends of the economic condition of producers, the status of soil and water resources utilized by production agriculture, the magnitude of off-farm inputs used and the amount of nonrenewable resources used by Minnesota farmers;

(ii) a description of current state or federal programs directed toward sustainable agriculture including significant results and experience of those programs;

(iii) a description of specific actions the department of agriculture is taking in the area of sustainable agriculture;

(iv) a description of current and future research needs at all levels in the area of sustainable agriculture; and

(v) suggestions for changes in existing programs or policies or enactment of new programs of policies that will affect farm profitability, maintain soil and water quality, reduce input costs, or lessen dependence upon nonrenewable resources.

Subd. 5. [INTEGRATED PEST MANAGEMENT.] The state shall promote and facilitate the use of integrated pest management through education, financial assistance, information and research.

Subd. 6. [INTEGRATED PEST MANAGEMENT APPROACH.] The commissioner shall coordinate the development of a state approach to the promotion and use of integrated pest management, which shall include delineation of the responsibilities of the state, public post-secondary institutions, Minnesota extension service, local units of government, and the private sector; establishment of

information exchange and integration; procedures for identifying research needs and reviewing and preparing informational materials; procedures for factoring integrated pest management into state laws, rules, and uses of pesticides; and identification of barriers to adoption. The commission shall report to the governor and legislature by November 15, 1990 and on a biennial basis thereafter.

Subd. 7. [CONSULTANT CERTIFICATION.] The commissioner shall, in consultation with Minnesota extension service and the consultant community, develop recommendations for a mandatory state crop consultant certification program under chapter 326 and report its recommendations to the governor and legislature by November 15, 1990. The program shall include consideration of educational requirements, current professional certification programs, and certification subcategories based on the need for consultant specialization.

Subd. 8. [STATE USES OF PESTICIDES AND NUTRIENTS.] The state shall use integrated pest management techniques in its management of public lands, including roadside rights-of-way, parks and forests; and shall use planting regimes that minimize the need for pesticides and added nutrients.

Subd. 9. [USER INFORMATION SYSTEM.] The commissioner shall promote establishment of a pilot pesticide and nutrient user information system at the county level in cooperation with the board of water and soil resources, the United States Soil Conservation Service, and the Minnesota extension service, to ensure that accurate and consistent information is available at the local level on recommended application rates and possible environmental impacts.

Subd. 10. [COOPERATION OF OTHER AGENCIES.] Other agencies of state government and the University of Minnesota shall cooperate with the commissioner in the exercise of responsibilities under this section. The commissioner of agriculture shall consult with the University of Minnesota and other agencies and organizations in carrying out duties under this section.

Sec. 2. Minnesota Statutes 1988, section 17.73, subdivision 3, is amended to read:

Subd. 3. [ANALYSES REPORTING STANDARDS.] (a) The results obtained from soil or plant analysis must be reported in accordance with standard reporting units established by the commissioner by rule. The standard reporting units must conform as far as practical to uniform standards that are adopted on a regional or national basis.

(b) If a certified laboratory offers a recommendation, the University of Minnesota recommendation or that of another land grant

college in a contiguous state must be offered in addition to other recommendations, and the source of the recommendation must be identified on the recommendation form. If relative levels such as low, medium, or high are presented to classify the analytical results, the corresponding relative levels based on the analysis as designated by the University of Minnesota or the land grant college in a contiguous state must also be presented.

(c) Information on efficient and environmentally sound practices based on research studies shall be included with all soil test results.

Sec. 3. Minnesota Statutes 1988, section 18B.01, subdivision 5, is amended to read:

Subd. 5. [COMMERCIAL APPLICATOR.] "Commercial applicator" means a person who has or is required to have a commercial applicator license.

Sec. 4. Minnesota Statutes 1988, section 18B.01, is amended by adding a subdivision to read:

Subd. 6a. [CORRECTIVE ACTION.] "Corrective action" means action taken to minimize, eliminate, or clean up an incident.

Sec. 5. Minnesota Statutes 1988, section 18B.01, subdivision 12, is amended to read:

Subd. 12. [INCIDENT.] "Incident" means a flood, fire, tornado, transportation accident, storage container rupture, ~~portable container rupture~~, leak, spill, emission, discharge, escape, leach, disposal, or other event that releases or immediately threatens to release a pesticide accidentally or otherwise into the environment, and may cause unreasonable adverse effects on the environment. "Incident" does not include the lawful use or intentional release of a pesticide in accordance with its approved label or labeling or a discharge or other release authorized by law.

Sec. 6. Minnesota Statutes 1988, section 18B.01, subdivision 15, is amended to read:

Subd. 15. [NONCOMMERCIAL APPLICATOR.] "Noncommercial applicator" means a person ~~with~~ who has or is required to have a noncommercial applicator license.

Sec. 7. Minnesota Statutes 1988, section 18B.01, is amended by adding a subdivision to read:

Subd. 15a. [OWNER OF REAL PROPERTY.] "Owner of real property" means a person who is in possession of, has the right of control, or controls the use of real property, including without

limitation a person who may be a fee owner, lessee, renter, tenant, lessor, contract for deed vendee, licensor, licensee, or occupant.

Sec. 8. Minnesota Statutes 1988, section 18B.01, subdivision 19, is amended to read:

Subd. 19. [PESTICIDE DEALER.] "Pesticide dealer" means a person with who has or is required to have a pesticide dealer license.

Sec. 9. Minnesota Statutes 1988, section 18B.01, subdivision 21, is amended to read:

Subd. 21. [PRIVATE APPLICATOR.] "Private applicator" means a person certified to use or supervise use of restricted use pesticides.

Sec. 10. Minnesota Statutes 1988, section 18B.01, subdivision 23, is amended to read:

Subd. 23. [RESPONSIBLE PARTY.] "Responsible party" means a person or persons who at the time of an incident has custody of, control of, or responsibility for a pesticide, pesticide container, or pesticide rinsate. Responsible party does not include a person who receives a pesticide in a sealed package or container and subsequently sells or transfers the package or container, if the seal and the package or container remain intact. Responsible party may include a person who manufactures, packages, or repackages a pesticide.

Sec. 11. Minnesota Statutes 1988, section 18B.01, subdivision 26, is amended to read:

Subd. 26. [SAFEGUARD.] "Safeguard" means a facility, equipment, device, or system, or a combination of these, as required by rule, designed to prevent the escape or movement of a pesticide from the place it is stored or kept under conditions that might otherwise result in contamination of the environment an incident.

Sec. 12. Minnesota Statutes 1988, section 18B.01, subdivision 30, is amended to read:

Subd. 30. [STRUCTURAL PEST CONTROL APPLICATOR.] "Structural pest control applicator" means a person with who has or is required to have a structural pest control license.

Sec. 13. Minnesota Statutes 1988, section 18B.03, is amended by adding a subdivision to read:

Subd. 4. [EMPLOYEES; COMPENSATION.] The commissioner may employ necessary agents and assistants to administer and enforce this chapter, none of whom, except those who are employed

on a full-time basis, shall come within or be governed by chapter 43A. The compensation for the unclassified employees shall be on the basis of a rating and salary scale determined by the commissioner's plan of the department of employee relations or the appropriate bargaining unit contract.

Sec. 14. Minnesota Statutes 1988, section 18B.04, is amended to read:

18B.04 [PESTICIDE IMPACT ON WATER QUALITY THE ENVIRONMENT.]

The commissioner shall:

(1) determine the impact of pesticides on the environment, including surface water and ground water in this the state;

(2) develop best management practices and water resources protection measures as defined in article 1, section 2, involving pesticide distribution, storage, handling, use, and disposal; and

(3) cooperate with and assist other state agencies and local governments to protect public health and the environment from harmful exposure to pesticides.

Sec. 15. Minnesota Statutes 1988, section 18B.07, subdivision 2, is amended to read:

Subd. 2. [PROHIBITED PESTICIDE USE.] (a) A person may not use, store, handle, distribute, or dispose of a pesticide, rinsate, pesticide container, or pesticide application equipment in a manner:

(1) that is inconsistent with a label or labeling;

(2) that endangers humans, damages agricultural products, food, livestock, fish, or wildlife, or beneficial insects; or

(3) that will cause unreasonable adverse effects on the environment.

(b) A person may not:

(1) direct a pesticide on onto property beyond the boundaries of the target site. A person may not apply a pesticide resulting in;

(2) apply a pesticide so as to cause damage to adjacent nearby property.

(c) A person may not directly;

(3) apply a pesticide on a human by overspray or target site spray;  
or

(d) A person may not

(4) apply a pesticide in a manner so as to expose a worker human in an immediately adjacent, open field area.

Sec. 16. Minnesota Statutes 1988, section 18B.07, subdivision 3, is amended to read:

Subd. 3. [POSTING.] (a) If the pesticide labels prescribe specific hourly or daily intervals for human reentry following application, the person applying the pesticide must post fields, buildings, or areas where the pesticide has been applied. The posting must be done with placards in accordance with label requirements and rules adopted under this section.

(b) Fields Sites being treated with pesticides through irrigation systems must be posted throughout the period of pesticide treatment. The posting must be done in accordance with labeling and rules adopted under this chapter.

Sec. 17. Minnesota Statutes 1988, section 18B.07, subdivision 4, is amended to read:

Subd. 4. [PESTICIDE SAFEGUARDS AT APPLICATION SITES.] A person may not allow a pesticide, rinsate, or unrinsed pesticide container to be stored, kept, or to remain in or on any site without safeguards adequate to prevent the escape or movement of the pesticides from the site an incident.

Sec. 18. Minnesota Statutes 1988, section 18B.07, subdivision 5, is amended to read:

Subd. 5. [USE OF PUBLIC WATER SUPPLIES FOR FILLING EQUIPMENT.] A person may not fill pesticide application equipment directly from a public water supply, as defined in section 144.382, unless the outlet from the public water supply is equipped with a backflow prevention device that complies with the Minnesota Plumbing Code under Minnesota Rules, parts 4715.2000 to 4715.2280. The person may not introduce pesticides into the application equipment until after filling the equipment from a public water supply.

Sec. 19. Minnesota Statutes 1988, section 18B.07, subdivision 6, is amended to read:

Subd. 6. [USE OF PUBLIC WATERS FOR FILLING EQUIPMENT.] (a) A person may not fill pesticide application equipment

directly from public or other waters of the state, as defined in section 105.37, subdivision 7 or 14, unless the equipment contains proper and functioning anti-backsiphoning mechanisms. The person may not introduce pesticides into the application equipment until after filling the equipment from the public waters.

(b) This subdivision does not apply to permitted applications of aquatic pesticides to public waters.

Sec. 20. Minnesota Statutes 1988, section 18B.07, subdivision 7, is amended to read:

Subd. 7. [CLEANING EQUIPMENT IN OR NEAR SURFACE WATER.] ~~(a)~~ A person may not:

(1) clean pesticide application equipment in surface waters of the state; or

(2) fill or clean pesticide application equipment adjacent to surface waters, ditches, or wells where, because of the slope or other conditions, pesticides or materials contaminated with pesticides could enter or contaminate the surface waters, ground water, or wells, as a result of overflow, leakage, or other causes.

~~(b)~~ This subdivision does not apply to permitted application of aquatic pesticides to public waters.

Sec. 21. Minnesota Statutes 1988, section 18B.08, subdivision 1, is amended to read:

Subdivision 1. [PERMIT REQUIRED.] (a) A person may not apply pesticides through an irrigation system without a chemigation permit from the commissioner. Only one chemigation permit is required for ~~two~~ one or more wells or other irrigation water sources that are protected from pesticide contamination by the same devices as required by rule. The commissioner may allow irrigation to be used to apply pesticides on crops and land, including agricultural, nursery, turf, golf course, and greenhouse sites.

(b) A person must apply for a chemigation permit on forms prescribed by the commissioner.

Sec. 22. Minnesota Statutes 1988, section 18B.08, subdivision 3, is amended to read:

Subd. 3. [EQUIPMENT.] A chemigation system must be fitted with effective antisiphon devices or check valves that prevent the backflow of pesticides or pesticide-water mixtures into water supplies or other materials during times of irrigation system failure or

equipment shutdown. The devices or valves must be installed between:

(1) the irrigation system pump or water source discharge and the point of pesticide injection; and

(2) the point of pesticide injection and the pesticide supply.

Sec. 23. Minnesota Statutes 1988, section 18B.08, subdivision 4, is amended to read:

Subd. 4. [APPLICATION FEE.] A person initially applying for a chemigation permit must pay a nonrefundable application fee of \$50 for each well that is to be used in applying the pesticides by irrigation. A person who holds a valid fertilizer chemigation permit, as defined in chapter 17, is exempt from the fee in this section.

Sec. 24. Minnesota Statutes 1988, section 18B.15, is amended to read:

#### 18B.15 [PESTICIDE RELEASE INCIDENTS.]

Subdivision 1. [DUTIES OF RESPONSIBLE PARTY CORRECTIVE ACTION ORDERS.] (a) A responsible party involved in an incident or an owner of real property must immediately, upon discovering that an incident has occurred, report the that incident to the department of agriculture and provide information as requested by the commissioner. The responsible party must pay for the costs and immediately take all action necessary to minimize or abate the release and to recover pesticides involved in the incident.

(b) The responsible party must submit a written report of the incident to the commissioner containing the information requested by the commissioner within the time specified by the commissioner and also submit a written report to the commissioner containing the information requested by the commissioner within the time specified by the commissioner. After determining that an incident has occurred, the commissioner may order the responsible party to take reasonable and necessary corrective actions. The commissioner shall notify the owner of real property where corrective action is ordered that access to the property will be required for the responsible party or the commissioner to take corrective action. A political subdivision may not request or order any person to take an action that conflicts with the corrective action ordered by the commissioner. The attorney general may bring an action to compel corrective action.

Subd. 2. [COMMISSIONER'S COMMISSIONER AND COMPELLED PERFORMANCE CORRECTIVE ACTION.] (a) If in the judgment of the commissioner the responsible party does not take

immediate and sufficient action to abate the release of and to recover the pesticide. The commissioner may take corrective action necessary to mitigate or correct the conditions resulting from an incident. The responsible party must reimburse the commissioner for the costs incurred by the commissioner in the enforcement of this subdivision.

(b) The department of agriculture is the lead state agency for responding to and taking action with regard to pesticide incidents. if:

(1) a responsible party cannot be identified; or

(2) an identified responsible party cannot or will not comply with an order issued under subdivision 1.

Subd. 3. [EMERGENCY CORRECTIVE ACTION.] To assure an adequate response to an incident, the commissioner may take corrective action without following the procedures of subdivision 1 if the commissioner determines that the incident constitutes a clear and immediate danger requiring immediate action to prevent, minimize, or mitigate damage to the public health and welfare or the environment. Before taking an action under this subdivision, the commissioner shall make all reasonable efforts, taking into consideration the urgency of the situation, to order a responsible party to take a corrective action and notify the owner of real property where the corrective action is to be taken.

Subd. 4. [LEAD AGENCY.] The department of agriculture is the lead state agency in taking corrective action for incidents.

Sec. 25. Minnesota Statutes 1988, section 18B.17, subdivision 2, is amended to read:

Subd. 2. [EDUCATION AND TRAINING AGREEMENTS.] For purposes of education and training only, the commissioner may enter into agreements or contracts with qualified public or private organizations that wish to offer training programs developed under this chapter. In addition, the commissioner may provide pesticide information and related educational materials to interested clientele and residents of Minnesota.

Sec. 26. Minnesota Statutes 1988, section 18B.18, is amended to read:

18B.18. [INSPECTION.]

Subdivision 1. [ACCESS AND ENTRY.] (a) The commissioner, and the commissioner's agents, upon issuance presentation of a notice of inspection official department credentials, must be granted access at

reasonable times without delay to (1) sites where a restricted use pesticide is used; (2) (1) where a person manufactures, formulates, distributes, uses, disposes of, stores, or transports a pesticide in violation of provisions of this chapter; and (3) to all sites (2) which the commissioner reasonably believes are affected, or possibly affected, by the use of a pesticide, rinsate, pesticide container, or device in violation of a provision of this chapter.

(b) The commissioner and commissioner's agents may enter sites for:

(1) inspection of equipment for the manufacture, formulation, distribution, disposal, or application of pesticides and the premises on which the equipment is stored;

(2) sampling of sites actually or reportedly exposed to pesticides;

(3) inspection of storage, handling, distribution, use, or disposal areas of pesticides or pesticide containers;

(4) inspection or investigation of complaints of injury to humans, wildlife, domesticated animals, crops, or the environment;

(5) sampling of pesticides;

(6) observation of the use and application of a pesticide;

(7) inspection of records related to the manufacture, distribution, storage, handling, use, or disposal of pesticides; and

(8) investigating the source, nature, and extent of an incident, and the extent of the adverse effects on the environment; and

(9) other purposes necessary to implement this chapter.

Subd. 2. [NOTICE OF INSPECTION SAMPLES AND ANALYSES.] Before leaving the premises inspected, The commissioner shall provide the owner, operator, or agent in charge with a receipt describing the suspected violation and any samples obtained. The commissioner shall also split any samples obtained and provide these to the owner, operator, or agent in charge for independent analysis if so desired. If an analysis is made of the samples, a copy of the results of the analysis must be furnished to the owner, operator, or agent in charge within 30 days of completion. If an analysis is not completed on the samples obtained, the commissioner shall notify the owner, operator, or agent in charge within 30 days of making this decision.

Subd. 3. [OBTAINING EVIDENCE.] In making inspections under this chapter, the commissioner may administer oaths, certify as to

official acts, take and cause to be taken depositions of witnesses, issue subpoenas, and compel the attendance of witnesses and production of papers, books, documents, records, and testimony. If a person fails to comply with a subpoena lawfully issued, or a witness refuses to produce evidence or testify to a matter regarding which the person may be lawfully interrogated, the district court shall, upon application of the commissioner, compel obedience proceedings for contempt, as in the case of disobedience of the requirements of a subpoena issued by the court or a refusal to testify in the court.

Subd. 4. [REQUEST FOR INSPECTION.] A person who believes that a violation of this chapter has occurred may request an inspection by giving notice to the commissioner of the violation. The notice must be in writing, set forth with reasonable particularity the grounds for the notice, and be signed by the person. If upon receipt of the notice the commissioner reasonably believes that a violation occurred, the commissioner shall provide the party believed responsible with a copy of the request for investigation, excluding the name of the person who made the request, and notice of intent to investigate. The commissioner shall make a special inspection in accordance with this section as soon as practicable to determine if a violation occurred. An inspection conducted because of a complaint may cover an entire site and is not limited to that portion of the site specified in the notice. If the commissioner determines that there are no reasonable grounds to believe that a violation occurred, the commissioner shall notify the person in writing of that determination.

Subd. 5. [REFUSAL TO PERMIT ENTRY.] Upon the refusal or anticipated refusal, based on a refusal to permit entrance on a prior occasion, of an owner, operator, or agent in charge to permit entry under this chapter, the commissioner may apply for an order in the district court in the county in which a site is located to compel a person with authority to permit the commissioner to enter and inspect the site.

Subd. 6. [SUBPOENA OF DEPARTMENTAL EMPLOYEES.] (a) Neither the commissioner nor any employee of the department, including those employees of other approved agencies providing services to the department, is subject to subpoena for purposes of expert witness testimony.

(b) Once an inspection file is closed by the commissioner, the commissioner shall, upon request from any person, certify as official department records any information contained in a file which is public information.

Subd. 7. [COSTS OF INVESTIGATION.] In addition to any other penalties, the cost of reinspection and reinvestigation may be assessed by the commissioner if the person subject to a corrective

action order or remedial action order does not comply with the order in a reasonable time as provided in the order.

Sec. 27. [18B.191] [RESPONSIBILITY FOR COSTS.]

Subdivision 1. [RESPONSIBLE PARTY.] (a) A responsible party is liable for the costs including administrative costs for corrective action under section 17. The commissioner may issue an order for recovery of those costs.

(b) A responsible party is liable for the costs of any destruction of wildlife. Payments of these costs must be deposited in the game and fish fund in the state treasury.

Subd. 2. [AVOIDANCE OF LIABILITY.] (a) A responsible party may not avoid liability by means of a conveyance of any right, title, or interest in real property or by any indemnification, hold harmless agreement, or similar agreement.

(b) This subdivision does not:

(1) prohibit a person who may be liable from entering an agreement by which the person is insured, held harmless, or indemnified for part or all of the liability;

(2) prohibit the enforcement of an insurance, hold harmless, or indemnification agreement; or

(3) bar a cause of action brought by a person who may be liable or by an insurer or guarantor, whether by right of subrogation or otherwise.

Subd. 3. [OWNER OF REAL PROPERTY.] An owner of real property is not a responsible party for an incident on the owner's property unless that owner:

(1) was engaged in manufacturing, formulating, transporting, storing, handling, applying, distributing, or disposing of a pesticide on the property;

(2) knowingly permitted a person to make regular use of the property for disposal of pesticides; or

(3) violated this chapter in a way that contributed to the incident.

Subd. 4. [LIABILITY FOR APPLICATION ACCORDING TO THE LABEL.] (a) Notwithstanding other provisions relating to liability for pesticide use, a pesticide end user or landowner is not liable for the cost of active cleanup or damages associated with or resulting from pesticides in groundwater if the person has applied or has had

others apply pesticides in compliance with the label of the pesticide and other state law and orders of the commissioner.

(b) It is a complete defense for liability if the person has complied with the provisions in paragraph (a).

Subd. 5. [DEFENSES.] As a defense to a penalty or liability for damages, a person may prove that the violation was caused solely by an act of God, an act of war, or an act or failure to act that constitutes sabotage or vandalism, or any combination of these defenses.

Sec. 28. [18B.192] [APPORTIONMENT AND CONTRIBUTION.]

Subdivision 1. [RIGHT OF APPORTIONMENT; FACTORS.] A responsible party held liable under this chapter may have the trier of fact apportion liability among the responsible parties under this section. The burden is on each responsible party to show how that responsible party's liability should be apportioned. The trier of fact shall reduce the amount of damages in proportion to any amount of liability apportioned to the party recovering.

In apportioning the liability of a party under this section, the trier of fact shall consider the following:

(1) the extent to which that responsible party contributed to the incident;

(2) the amount of pesticide involved;

(3) the degree of toxicity of the pesticide involved;

(4) the degree of involvement of and care exercised by the responsible party in manufacturing, formulating, handling, storing, distributing, transporting, applying, and disposing of the pesticide;

(5) the degree of cooperation by the responsible party with federal, state, or local officials to prevent harm to the public health or the environment; and

(6) knowledge by the responsible party of the hazardous nature of the pesticide.

Subd. 2. [CONTRIBUTION.] If a responsible party is held liable under this chapter and establishes a proportionate share of the aggregate liability, the provisions of section 604.02, subdivisions 1 and 2, apply with respect to contribution and reallocation of any uncollectible amounts, except that an administrative law judge may also perform the functions of a court identified in section 604.02, subdivision 2.

## Sec. 29. [18B.193] [ADMINISTRATIVE PENALTIES.]

Subdivision 1. [FACTORS.] In determining the size of the penalty, the commissioner shall give due consideration to the economic benefit gained by the person by allowing or committing the violation, the gravity of the violation in terms of actual or potential damage to the environment, and the violator's culpability, good faith, and history of violations.

Subd. 2. [DOLLAR LIMIT.] The commissioner may by administrative order assess penalties of up to \$5,000 for a violation of this chapter.

Subd. 3. [PAYMENT.] Penalties assessed under this chapter must be paid to the commissioner for deposit in the pesticide regulatory account. If a violator fails to pay a penalty which is part of a final order within 30 days, the commissioner may commence a civil action for double the assessed penalty and attorney fees and costs. A penalty may be recovered in a civil action in the name of the department brought in the district court of the county where the violation is alleged to have occurred or the district court where the commissioner has an office.

Subd. 4. [COMPLIANCE TIME.] The administrative penalty may be assessed if the person subject to a corrective action order or remedial action order does not comply with the order in a reasonable time as provided in the order.

Sec. 30. Minnesota Statutes 1988, section 18B.20, is amended by adding a subdivision to read:

Subd. 7. [EMPLOYER LIABILITY FOR EMPLOYEES.] Structural pest control applicators, commercial applicators, noncommercial applicators, and pesticide dealers are civilly liable for violations of this chapter by their employees and agents.

## Sec. 31. [18B.205] [ADMINISTRATIVE COMPLIANCE.]

Subdivision 1. [CONTESTED ORDER.] After being served with an order, a person has at least 45 days from receipt of the order within which to notify the commissioner in writing that the person intends to contest the order. If the person fails to properly notify the commissioner that the person intends to contest the order, the order is a final order of the agency and not subject to review by any court or agency.

Subd. 2. [ADMINISTRATIVE REVIEW.] (a) If a person notifies the commissioner that the person intends to contest an order issued under this chapter, the state office of administrative hearings shall conduct a hearing in accordance with the applicable provisions of

chapter 14 for hearings. A hearing shall be conducted at a place designated by the commissioner, within the county where the violation occurred, or where the person contesting the order resides or has a principal place of business or any other place on which all the parties agree.

(b) Notwithstanding any provision of chapter 14, the final administrative law report shall be the final decision of the agency. Only an administrative law judge, under rules adopted by the office of administrative hearings, may entertain an application for reconsideration of a final agency decision.

Subd. 3. [JUDICIAL REVIEW.] (a) The commissioner or any party aggrieved by a final agency decision may seek judicial review of a final agency decision under sections 14.63 to 14.69.

(b) Any additional evidence required by a reviewing court under section 14.67 shall be taken by an administrative law judge. Only an administrative law judge may change the agency decision or any findings contained in it. The administrative law judge shall file with the reviewing court the additional evidence, together with any modifications or new findings or decisions, as provided in section 14.67.

Subd. 4. [EXPENSES.] A prevailing party, including the commissioner, may recover the reasonable and necessary expenses in a contested case or an appeal from a contested case.

Sec. 32. Minnesota Statutes 1988, section 18B.21, is amended to read:

18B.21 [ADMINISTRATIVE ACTION REMEDIES FOR VIOLATIONS.]

Subdivision 1. [ADMINISTRATIVE REMEDIES.] The commissioner may seek to remedy violations of this chapter or the commissioner's orders by (1) a written warning, (2) an administrative meeting, (3) a cease and desist, stop-use, stop-sale, removal, administrative penalty, or other special order, or (4) a seizure, stipulation, or agreement, if the commissioner determines that the remedy is in the public interest.

Subd. 2. [REVOCAION AND SUSPENSION.] The commissioner may, after written notice and hearing, revoke, suspend, or refuse to grant or renew a registration, permit, license, or certification if a person violates a provision of this chapter or has a history, within the last three years, of violations of chapter 18A or 18B.

Subd. 3. [REMEDIAL ACTION ORDERS SERVICE OF ORDER OR NOTICE.] (a) If the commissioner has probable cause that a

pesticide, pesticide container, rinsate, pesticide equipment, or device is being used, manufactured, distributed, stored, or disposed of in violation of a provision of this chapter, the commissioner may investigate and issue a written cease and desist, stop-sale, stop-use, or removal order or other remedial action to the owner, custodian, or other responsible party. If the owner, custodian, or other responsible party a person is not available for service of the an order, the commissioner may attach the order to the pesticide, pesticide container, rinsate, pesticide equipment, or device or facility and notify the owner, custodian, other responsible party, or the registrant. The pesticide, pesticide container, rinsate, pesticide equipment, or device may not be sold, used, or removed until the violation has been corrected and the pesticide, pesticide container, rinsate, pesticide equipment, or device has been released in writing under conditions specified by the commissioner, or until the violation has been otherwise disposed of by an administrative law judge, or a court.

(b) If a violation of a provision of this chapter results in conditions that may have an unreasonable adverse effect on humans, domestic animals, wildlife, or the environment, the commissioner may, by order, require remedial action, including removal and proper disposal.

Sec. 33. Minnesota Statutes 1988, section 18B.26, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] (a) A person may not use or distribute a pesticide in this state unless it is registered with the commissioner. Pesticide registrations expire on December 31 of each year and may be renewed on or before that date for the following calendar year.

(b) Registration is not required if a pesticide is shipped from one plant or warehouse to another plant or warehouse operated by the same person and used solely at the plant or warehouse as an ingredient in the formulation of a pesticide that is registered under this chapter.

(c) An unregistered pesticide that was previously registered with the commissioner may be used only with the written permission of the commissioner.

(d) Each pesticide with a unique EPA registration number or brand name must be registered with the commissioner.

Sec. 34. Minnesota Statutes 1988, section 18B.26, subdivision 3, is amended to read:

Subd. 3. [APPLICATION FEE.] (a) An application for initial

registration and renewal must be accompanied by a nonrefundable application fee of ~~\$125~~ \$200 for each pesticide to be registered.

(b) An additional fee of \$100 must be paid by the applicant for each pesticide to be registered if the application is a renewal application that is submitted after December 31.

~~(c) An additional fee of \$200 must be paid by the applicant for each pesticide distributed or used in the state before initial state registration.~~

Sec. 35. Minnesota Statutes 1988, section 18B.26, subdivision 5, is amended to read:

Subd. 5. [APPLICATION REVIEW AND REGISTRATION.] (a) The commissioner may not deny the registration of a pesticide because the commissioner determines the pesticide is not essential.

(b) The commissioner shall review each application and may approve, deny, or cancel the registration of any pesticide. The commissioner may impose state use or distribution restrictions on a pesticide as part of the registration to prevent unreasonable adverse effects on the environment.

(c) The commissioner must notify the applicant of the approval, denial, cancellation, or state use or distribution restrictions within 30 days after the application and fee are received.

(d) The applicant may request a hearing on any adverse action of the commissioner within 30 days after being notified by the commissioner.

Sec. 36. Minnesota Statutes 1988, section 18B.26, is amended by adding a subdivision to read:

Subd. 6. [WITHDRAWAL.] A person who intends to discontinue a pesticide registration must do one of the following to ensure complete withdrawal from distribution or further use of the pesticide:

(1) terminate a further distribution within the state and continue to register the pesticide annually for two successive years;

(2) initiate and complete a total recall of the pesticide from all distribution in the state within 60 days from the date of notification to the commissioner of intent to discontinue registration; or

(3) submit to the commissioner evidence adequate to document that no distribution of the registered pesticide has occurred in the state.

## Sec. 37. [18B.281] [PESTICIDE EDUCATION AND TRAINING.]

Subdivision 1. [EDUCATION AND TRAINING.] The commissioner shall develop, in conjunction with the University of Minnesota extension service, unique and innovative educational and training programs addressing pesticide concerns including, but not limited to: (1) water quality protection; (2) endangered species; (3) pesticide residues in food and water; (4) worker protection; (5) chronic toxicity; (6) integrated pest management; and (7) pesticide disposal. Educational planning session committees must include representatives of industry and of the commissioner. Specific current regulatory concerns must be discussed and, where appropriate, incorporated into each training session. These training materials must be used as a parameter for all educational programs affected by any organization.

Subd. 2. [TRAINING MANUAL AND EXAMINATION DEVELOPMENT.] The commissioner, in conjunction with the University of Minnesota extension service, shall continually revise and update pesticide applicator training manuals and examinations. The manuals and examinations must be written to meet or exceed the minimum standards required by the United States Environmental Protection Agency and pertinent state-specific information. Questions in the examinations must be determined by the responsible agencies. Manuals and examinations must include pesticide management practices that discuss prevention of pesticide occurrence in groundwaters of the state.

Subd. 3. [PESTICIDE APPLICATOR EDUCATION AND EXAMINATION REVIEW BOARD.] The commissioner shall establish and chair a pesticide applicator education and examination review board. This board shall meet at least once a year before the initiation of pesticide educational planning programs. The purpose of this board is to discuss topics of current concern that can be incorporated into pesticide applicator training sessions and appropriate examinations. This board shall review and evaluate the various educational programs recently conducted and recommend options to increase overall effectiveness. Membership on this board must represent industry, private, nonprofit organizations, and other governmental agencies, including the University of Minnesota, the pollution control agency, and the departments of health, natural resources, and transportation.

Sec. 38. Minnesota Statutes 1988, section 18B.31, subdivision 3, is amended to read:

Subd. 3. [LICENSE.] A pesticide dealer license:

(1) expires on December 31 of each year unless it is suspended or revoked before that date; and

(2) is not transferable to another person, or location; and

(3) must be prominently displayed to the public in the pesticide dealer's place of business.

Sec. 39. Minnesota Statutes 1988, section 18B.31, subdivision 5, is amended to read:

Subd. 5. [APPLICATION FEE.] (a) An application for a pesticide dealer license must be accompanied by a nonrefundable application fee of \$50.

(b) If an application for renewal of a pesticide dealer license is not filed before January 1 of the year for which the license is to be issued, an additional fee of \$20 must be paid by the applicant before the license is issued.

(c) A \$10 fee must be paid for the issuance of a duplicate pesticide dealer license.

Sec. 40. Minnesota Statutes 1988, section 18B.32, subdivision 2, is amended to read:

Subd. 2. [LICENSES.] (a) A structural pest control license:

(1) expires on December 31 of the year for which the license is issued; ~~and~~

(2) is not transferable; and

(3) must be prominently displayed to the public in the structural pest controller's place of business.

(b) The commissioner shall establish categories of master, journeyman, and fumigator for a person to be licensed under a structural pest control license.

Sec. 41. Minnesota Statutes 1988, section 18B.33, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] (a) A person may not apply a pesticide for hire without a commercial applicator license for the appropriate use categories except a licensed structural pest control applicator.

(b) A person with a commercial applicator license may not apply pesticides on or into surface waters without an aquatic category endorsement on a commercial applicator license.

(c) A commercial applicator 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 commissioner shall prescribe the information required on the license identification card.

Sec. 42. Minnesota Statutes 1988, section 18B.33, subdivision 3, is amended to read:

Subd. 3. [LICENSE.] A commercial applicator license:

(1) expires on December 31 of the year for which it is issued, unless suspended or revoked before that date; and

(2) is not transferable to another person; and

(3) must be prominently displayed to the public in the commercial applicator's place of business.

Sec. 43. Minnesota Statutes 1988, section 18B.33, subdivision 7, is amended to read:

Subd. 7. [APPLICATION FEES.] (a) A person initially applying for or renewing a commercial applicator license as a business entity must pay a nonrefundable application fee of \$50, ~~except a person who is an employee of a business entity that has a commercial applicator license and is applying for or renewing a commercial applicator license as an individual the nonrefundable application fee is \$25.~~

(b) If a renewal application is not filed before March 1 of the year for which the license is to be issued, an additional penalty fee of \$10 must be paid before the commercial applicator license may be issued.

(c) A \$10 fee must be paid for the issuance of a duplicate commercial applicator license.

Sec. 44. Minnesota Statutes 1988, section 18B.34, subdivision 1, is amended to read:

Subdivision 1. [REQUIREMENT.] (a) Except for a licensed commercial applicator, certified private applicator, or licensed structural pest control applicator, a person, including a government employee, may not use a restricted use pesticide in performance of official duties without having a noncommercial applicator license for an appropriate use category.

(b) ~~A person with~~ A licensed noncommercial applicator license may not apply pesticides into or on surface waters without an aquatic category endorsement on the license.

(c) A licensee must have a valid license identification card when applying pesticides 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.

Sec. 45. Minnesota Statutes 1988, section 18B.34, subdivision 2, is amended to read:

Subd. 2. [LICENSE.] A noncommercial applicator license:

(1) expires on December 31 of the year for which it is issued unless suspended or revoked before that date; and

(2) is not transferable; and

(3) must be prominently displayed to the public in the noncommercial applicator's place of business.

Sec. 46. Minnesota Statutes 1988, section 18B.34, subdivision 5, is amended to read:

Subd. 5. [FEES.] (a) A person initially applying for or renewing a noncommercial applicator license as a business entity must pay a nonrefundable application fee of \$50. ~~A person who is an employee of a business entity that has a noncommercial applicator license and is applying for or renewing a noncommercial applicator license as an individual must pay a nonrefundable application fee of \$25, except an applicant who is a government employee who uses pesticides in the course of performing official duties must pay a nonrefundable application fee of \$10.~~

(b) If an application for renewal of a noncommercial license is not filed before March 1 in the year for which the license is to be issued, an additional penalty fee of \$10 must be paid before the renewal license may be issued.

(c) A \$10 fee must be paid for the issuance of a duplicate noncommercial applicator license.

Sec. 47. Minnesota Statutes 1988, section 18B.36, is amended to read:

18B.36 [PRIVATE APPLICATOR CERTIFICATION.]

Subdivision 1. [REQUIREMENT.] (a) Except for a licensed commercial or noncommercial applicator, only a person certified as a private applicator may use ~~or supervise the use of~~ a restricted use pesticide to produce an agricultural commodity:

(1) as a traditional exchange of services without financial compensation; or

(2) on a site owned, rented, or managed by the person or the person's employees.

(b) A private applicator may not purchase a restricted use pesticide without presenting a private applicator card or the card number.

Subd. 2. [CERTIFICATION.] (a) The commissioner shall prescribe certification requirements and provide training that meets or exceeds EPA standards to certify persons as private applicators and provide information relating to changing technology to help ensure a continuing level of competency and ability to use pesticides properly and safely. The training may be done through cooperation with other government agencies and must be a minimum of three hours in duration.

(b) A person must apply to the commissioner for certification as a private applicator. After completing the certification requirements, which must include an examination as determined by the commissioner, an applicant must be certified as a private applicator to use restricted use pesticides. The certification is for a period of five three years from the applicant's nearest birthday.

(c) The commissioner shall issue a private applicator card to a private applicator.

Subd. 3. [FEES.] (a) A person applying to be certified as a private applicator must pay a nonrefundable \$10 application fee for the certification period.

(b) A \$5 fee must be paid for the issuance of a duplicate private applicator card.

Sec. 48. Minnesota Statutes 1988, section 18B.37, subdivision 1, is amended to read:

Subdivision 1. [PESTICIDE DEALER.] (a) A pesticide dealer must maintain records of all sales of restricted use pesticides as required by the commissioner. Records must be kept at the time of the sale on forms supplied by the commissioner or on the pesticide dealer's forms if they those forms are approved by the commissioner.

(b) Records must be submitted annually with the renewal application for a pesticide dealer license or upon request of the commissioner.

(c) Copies of records required under this subdivision must be

maintained by the pesticide dealer for a period of five years after the date of the pesticide sale.

Sec. 49. Minnesota Statutes 1988, section 18B.37, subdivision 2, is amended to read:

Subd. 2. [COMMERCIAL AND NONCOMMERCIAL APPLICATORS.] (a) A commercial ~~or noncommercial~~ applicator, or the applicator's authorized agent, ~~must~~ shall maintain a record of pesticides used on each site. A noncommercial applicator, or the applicator's authorized agent, shall maintain a record of restricted use pesticides used on each site. The record must include the:

- (1) date of the pesticide use;
  - (2) time the pesticide application was completed;
  - (3) brand name of the pesticide, EPA registration number, and dosage used;
  - (4) number of units treated;
  - (5) temperature, wind speed, and wind direction;
  - (6) location of the site where the pesticide was applied;
  - (7) name and address of the customer;
  - (8) name and signature of the applicator, company name, license number of the applicator, and address, and signature of the applicator or company; and
  - (9) any other information required by the commissioner.
- (b) Portions of records not relevant to a specific type of application may be omitted upon approval from the commissioner.

(c) All information for this record requirement must be contained in a single page document not to exceed five pages for each day's pesticide application, or individual site application. Portions of the required record may include a map to identify treated areas. Invoices An invoice containing the required information may constitute the required record.

(d) A commercial applicator must give a copy of the record to the customer when the application is completed.

(e) Records must be retained by the applicator, company, or authorized agent for five years after the date of treatment.

Sec. 50. Minnesota Statutes 1988, section 18B.37, subdivision 3, is amended to read:

Subd. 3. [STRUCTURAL PEST CONTROL APPLICATORS.] (a) A structural pest control applicator must maintain a record of each structural pest control application conducted by that person or by the person's employees. The record must include the:

- (1) date of structural pest control application;
- (2) target pest;
- (3) brand name of the pesticide, EPA registration number, and amount of pesticide used;
- (4) for fumigation, the temperature and exposure time;
- (5) time the pesticide application was completed;
- (6) name and address of the customer;
- ~~(6)~~ (7) structural pest control applicator's company name and address, applicator's signature, and license number; and
- ~~(7)~~ (8) any other information required by the commissioner.

(b) ~~Invoices~~ All information for this record requirement must be contained in a single page document for each pesticide application. An invoice containing the required information may constitute the record.

(c) Records must be retained for five years after the date of treatment.

(d) A copy of the record must be given to a person who ordered the application that is present at the site where the structural pest control application is conducted, placed in a conspicuous location at the site where the structural pest control application is conducted immediately after the application of the pesticides, or delivered to the person who ordered an application or the owner of the site.

Sec. 51. Minnesota Statutes 1988, section 18B.37, subdivision 4, is amended to read:

Subd. 4. [STORAGE, HANDLING, AND DISPOSAL PLAN.] A commercial, noncommercial, or structural pest control applicator or the licensed business that the applicator is employed by must develop and maintain a plan that describes its pesticide storage, handling, and disposal practices. The plan must be kept at a principal business site or location within this state and must be

submitted to the commissioner upon request on forms provided by the commissioner. The plan must be available for inspection by the commissioner.

Sec. 52. [18B.41] [PESTICIDE MANAGEMENT PLAN.]

Subdivision 1. [PLAN SPECIFICATIONS.] The commissioner shall develop a pesticide management plan for the prevention, evaluation, and mitigation of occurrences of pesticides or pesticide breakdown products in groundwaters and surface waters of the state. The pesticide management plan must include components promoting prevention, developing appropriate responses to the detection of pesticides or pesticide breakdown products in groundwater and surface waters, and providing responses to reduce or eliminate continued pesticide movement to groundwater and surface water as outlined in subdivisions 3 to 8.

The pesticide management plan shall be coordinated and developed with other state agency plans and with other state agencies through the environmental quality board. In addition, the University of Minnesota extension service, farm organizations, farmers, environmental organizations, and industry shall be involved in the pesticide management plan development.

Subd. 2. [DEFINITIONS.] The definitions in this subdivision apply to this section.

(a) "Pesticide" means a pesticide active ingredient as defined in section 18B.01, subdivision 13, or the breakdown product or metabolite of the pesticide active ingredient.

(b) "Specific management plan" means a plan applied to a pesticide and may be specific to a pesticide-sensitive groundwater protection area that incorporates voluntary chemical and nonchemical activities, procedures, and practices or pesticide use restrictions established by the department of agriculture in consultation with the University of Minnesota agricultural extension service due to determination of common detection of a pesticide in groundwater.

(c) "Nonpoint source" means the presence of a pesticide in groundwater or surface water from normal registered use of a pesticide.

(d) "Pesticide-sensitive groundwater protection areas" means a geographically definable area with characteristics of susceptibility to pesticide migration to groundwater and containing criteria as stipulated in article 1, section 5, subdivision 2.

(e) "Best management practices" means practices as defined in article 1, section 2, subdivision 2.

(f) "Water resources protection measures" has the meaning given it in article 1, section 2, subdivision 5.

(g) "Monitoring" means a program designed for the collection of data, through a network of groundwater quality sampling stations or surface water sampling points, for scientific inquiry and statistically significant analysis.

Subd. 3. [PESTICIDE-SENSITIVE GROUNDWATER PROTECTION AREAS.] The commissioner shall designate pesticide-sensitive groundwater protection areas based on criteria established in article 1, section 7, subdivision 2, and may involve cooperation with the department of natural resources, the pollution control agency, the University of Minnesota, and other pertinent local, state, or federal agencies. Pesticide-sensitive groundwater protection areas must be based on factors associated with susceptibility of groundwater to the leaching or direct movement of pesticides to the groundwater.

Upon designation of pesticide-sensitive groundwater protection areas the commissioner shall conduct an assessment of the likelihood of certain pesticides to migrate to groundwater. Determination of pesticide mobility must be based on the best currently available data and may involve pesticide registrants data and state and federal data bases. Mobile pesticide determination must include pesticide use, physiochemical properties, and previous groundwater detection information.

The commissioner shall increase regulatory efforts in pesticide-sensitive groundwater protection areas, provide additional and increased pesticide educational and training activities for prevention of movement of pesticides to water resources.

Subd. 4. [PESTICIDE USE INFORMATION.] The commissioner shall monitor urban and rural pesticide use on a biennial basis. Information shall be collected and automated consistent with article 6, section 7.

Subd. 5. [BEST MANAGEMENT PRACTICES.] The commissioner shall promote best management practices that minimize the potential for pesticide movement to water resources throughout the state. Within a pesticide-sensitive groundwater protection area the commissioner shall promote additional appropriate best management practices and may consult with representatives of farmers, local and state agencies, the University of Minnesota, federal agencies, and the pesticide industry. The best management practices for agricultural and urban pesticide use must be practical and appropriate for implementation in the pesticide-sensitive groundwater protection areas. In addition to agronomic and horticultural best management practices, increased and expanded pesticide educational programs for counties with designated pesticide groundwa-

ter protection areas shall be provided in cooperation with the Minnesota extension service.

Subd. 6. [EVALUATION OF DETECTION.] The commissioner shall evaluate the detection of pesticides in groundwaters of the state to determine the probable source and possible courses of action. Evaluation of the detection of the presence of a pesticide may include, but is not limited to, the following items:

(1) the methods of sample collection, handling, and confirmation mechanisms;

(2) the adherence of the reporting laboratory to good laboratory practices;

(3) the adequacy of the quality control and quality assurance programs;

(4) the physiochemical properties of the pesticide and their relationship, if any, to the detection;

(5) the general climatological, geographical, and hydrogeological factors that may impact the detection of the pesticide;

(6) the relationship of the concentration detected to the health based standard;

(7) the information available of the construction of the well from which the sample was obtained;

(8) the information available on pesticide use in the area;

(9) other potential pesticide sources; and

(10) the adherence to label directions, including precautions on the pesticide product label.

If conditions indicate a likelihood that the detection of the pesticide to be a result of normal registered use, the commissioner shall evaluate the need for increased promotion of best management practices and water resources protection measures to mitigate potential nonpoint source impact. Monitoring and subsequent evaluation shall occur on an as needed basis to determine if the pesticide is commonly detected and the potential nonpoint impacts of the pesticide in similar conditions.

Subd. 7. [SPECIFIC PESTICIDE MANAGEMENT PLAN.] The commissioner shall develop a specific pesticide management plan for a pesticide if the pesticide has been determined to be commonly detected in groundwater as a result of normal registered use

following evaluation by the commissioner. Each specific pesticide management plan must be designed to minimize movement to groundwater through a series of efforts such as increased educational activities, increased training and certification, and increased enforcement activities.

The commissioner shall develop and implement a focused groundwater monitoring and hydrogeologic evaluation following common pesticide detection to evaluate contamination frequency and concentration trend. Assessment of the site-specific and pesticide-specific conditions and the likelihood of common detection must include monitoring, pesticide use information, physical and chemical properties of the pesticide hydrogeologic information and review of information, and data from other local, state, or federal monitoring data bases.

The specific pesticide management plan must be developed following evaluation, increased monitoring efforts, and site-specific and pesticide-specific information. The specific management plan must include best management practices and water resources protection measures and pesticide use restrictions commensurate with applicable information obtained by the commissioner, the severity of the groundwater contamination and the trend assessment. The specific pesticide management plan must involve the registrant and be coordinated with the department of natural resources, the pollution control agency, the University of Minnesota agricultural extension service, the Minnesota environmental education board, the environmental quality board, the state planning agency, the department of health, the board of water and soil resources, and may include consultation with appropriate federal agencies, local governmental units, farm organizations, and the pesticide industry. The specific pesticide management plan shall be updated at no more than two-year intervals.

Subd. 8. [ACTIONS TO COMMON DETECTIONS WITH CONCENTRATIONS OR TRENDS GREATER THAN HEALTH LIMITS.] The commissioner shall impose additional use restrictions, or label modifications or cancel a pesticide use when:

(1) common detections of pesticides exceed previous or newly established limits as described in article 1, section 5 or, where applicable, state drinking water standards; or

(2) if trend analysis indicates that common detections will exceed limits as described in article 1, section 5 or, where applicable, state drinking water standards notwithstanding implementation of best management practices and water resources protection measures or previous use restrictions.

Restrictions may include limitations on product purpose, rate, time of application, frequency of application, method of application,

application to soil types or crops, or geographic area of application. Restrictions may be altered based on continued trend analysis of common pesticide detections.

Subd. 9. [RULES.] The commissioner shall adopt permanent rules necessary to implement this section. The rules must contain at a minimum:

(1) an education and information plan to promote pesticide best management practices and water resources protection measures in pesticide-sensitive groundwater protection areas;

(2) investigation and monitoring procedures to assess unusual pesticide detections in groundwater;

(3) procedures to implement best management practices and water resources protection measures, increased monitoring, and trend evaluation following the common detection of pesticides; and

(4) regulatory actions to be taken if trend analysis or common detections indicate exceedance of limits as described in article 1, section 5 or, where appropriate, state drinking water standards.

**Sec. 53. [PESTICIDE CONTAINER COLLECTION AND RECYCLING PILOT PROJECT]**

Subdivision 1. [PESTICIDE; DEFINITION.] For the purposes of this section, "pesticide" means a substance or mixture of substances intended to prevent, destroy, repel, or mitigate a pest, and a substance or mixture of substances intended for use as a plant regulator, defoliant, or desiccant.

Subd. 2. [PROJECT.] The department of agriculture, in consultation and cooperation with the commissioner of the pollution control agency and the director of the Minnesota extension service, shall design and implement a pilot collection project, to be completed by June 30, 1991, to:

(1) collect, recycle, and dispose of empty, triple-rinsed pesticide containers;

(2) develop, demonstrate, and promote proper pesticide container management; and

(3) evaluate the current pesticide container management methods and the cause and extent of the problems associated with pesticide containers.

Subd. 3. [COLLECTION AND DISPOSAL.] The department of agriculture shall provide for the establishment and operation of

temporary collection sites for pesticide containers. The department may limit the type and quantity of pesticide containers acceptable for collection.

Subd. 4. [INFORMATION AND EDUCATION.] The department shall develop informational and educational materials, in consultation and cooperation with the Minnesota extension service, to promote proper methods of pesticide container management.

Subd. 5. [REPORT.] During the pilot project, the department of agriculture shall conduct surveys and collect information on proper and improper pesticide container storage and disposal. By November 30, 1991, the department shall report to the legislature its conclusions from the project and recommendations for additional legislation or rules governing management of pesticide containers.

Subd. 6. [MANAGEMENT AND DISPOSAL.] The department of agriculture or other entity collecting pesticide containers must manage and dispose of the containers in compliance with applicable federal and state requirements.

Sec. 54. [REVISOR'S INSTRUCTION.]

In the next and subsequent editions of Minnesota Statutes, the sections in column A shall be renumbered as the sections in column B.

Column A

18A.49

18B.08

18B.15

18B.18

18B.20

18B.21

18B.22

Column B

18B.40

18B.285

18B.19

18B.15

18B.21

18B.18

18B.20

Cross-references to these sections within Minnesota Statutes must also be corrected.

Sec. 55. [REPEALER.]

Minnesota Statutes 1988, sections 18B.16; 18B.19; 18B.20, subdivision 6, are repealed.

ARTICLE 4  
WASTE PESTICIDE COLLECTION

Section 1. [115.84] [DEFINITIONS.]

Subdivision 1. [COLLECTION SITE.] "Collection site" means a permanent or temporary designated location with scheduled hours for collection where pesticide end users may bring their waste pesticides.

Subd. 2. [LOCAL UNIT OF GOVERNMENT.] "Local unit of government" means a statutory or home rule charter city, town, county, soil and water conservation district, watershed district, any other special purpose district, and local or regional board.

Subd. 3. [PESTICIDE.] "Pesticide" means a substance or mixture of substances intended to prevent, destroy, repel, or mitigate a pest, and a substance, mixture, or substances intended for use as a plant regulator, defoliant, or desiccant.

Subd. 4. [PESTICIDE END USER.] "Pesticide end user" means a farmer or other person who owns a pesticide. Pesticide end user does not include the manufacturer, formulator, or packager.

Subd. 5. [WASTE PESTICIDE.] "Waste pesticide" means a pesticide that the pesticide end user considers a waste. A waste pesticide can be a canceled pesticide, an unusable pesticide, or a usable pesticide.

Sec. 2. [115.84] [WASTE PESTICIDE COLLECTION PROGRAM.]

Subdivision 1. [COLLECTION AND DISPOSAL.] The agency shall establish and operate a program to collect and dispose of waste pesticides. The program shall be made available to pesticide end users whose waste generating activity occurs in the state of Minnesota.

Subd. 2. [IMPLEMENTATION.] In conducting the program the agency will comply with all applicable federal and state laws. The agency may obtain a United States Environmental Protection Agency hazardous waste identification number to manage the waste pesticides collected. The agency may limit the type and quantity of waste pesticides accepted for collection and may assess pesticide end users for portions of the costs incurred.

Subd. 3. [INFORMATION AND EDUCATION.] The agency shall provide informational and educational materials in consultation

and cooperation with the Minnesota extension service regarding waste pesticides and the proper management of waste pesticides to the public.

Subd. 4. [DEPARTMENT OF AGRICULTURE.] The agency shall develop the program in this section in consultation and cooperation with the commissioner of agriculture.

Subd. 5. [WASTE PESTICIDE COLLECTION ACCOUNT.] A waste pesticide account is established in the state treasury. All assessments received under subdivision 2 shall be deposited in the state treasury and credited to the waste pesticide account and are appropriated to the agency to pay for costs incurred to implement this program.

Subd. 6. [AUTHORITY.] The agency may adopt rules to administer this section.

Subd. 7. [COOPERATIVE AGREEMENTS.] The agency may enter into cooperative agreements with state and local units of government for administration of the collection program.

## ARTICLE 5

### WATER SUPPLY MONITORING AND PROTECTION

#### Section 1. [144.389] [SAFE DRINKING WATER FEES.]

Subdivision 1. [FEE SETTING.] Every owner of a residential service connection to a public water supply must pay to the public water supply an annual fee of \$3.20. Every owner of a nonresidential service connection to a public water supply must pay an annual fee of \$20 to the public water supply. The fee may be adjusted by the commissioner of health according to section 16A.128. However, no public hearing is required for an adjustment.

Subd. 2. [PAYMENT AND COLLECTION OF FEE.] Fees paid by the supply shall be based on the total number of the supply's service connections to be verified every two years. The public water supply shall pay the fees to the department of health for deposit in the state treasury. The supply shall pay one-fourth of the total yearly fee to the state once each calendar quarter. The first quarterly payment is due on or before September 30, 1989. In lieu of quarterly payments, a water supplier with fewer than 50 service connections may make a single annual payment by June 30 of each year, starting in 1990. The public water supply shall pay the fees to the department of health for deposit in the state treasury as nondedicated general fund revenues.

Sec. 2. Minnesota Statutes 1988, section 156A.01, is amended to read:

**156A.01 [LEGISLATIVE INTENT.]**

It is ~~The legislative intent and purpose in of~~ sections 156A.01 to ~~156A.08~~ 156A.09 is to reduce and minimize the waste of ~~ground water~~ groundwater resources within this state by reasonable legislation in licensing of drillers or makers of water wells and the regulation of exploratory borings in Minnesota ~~and to~~. Sections 156A.01 to 156A.09 are also intended to protect the health and general welfare by providing a means for the development and protection of the natural resource of underground water in an orderly, sanitary and reasonable manner. ~~In furtherance of the above intents and purposes,~~ To carry out the intent of sections 156A.01 to 156A.09 and in recognition of the effects of that exploration and mining of metallic minerals ~~have on ground water~~ groundwater resources, the legislature finds that it is necessary to require submission to the state of factual data generated by exploratory borings to the state, for the purpose of controlling: (1) control possible adverse environmental effects of mining; ~~to~~; (2) preserve the natural resources; ~~and to~~; (3) encourage the planning of future land utilization, while at the same time promoting; (4) promote the orderly development of mining, the encouragement of; (5) encourage good mining practices; and ~~the recognition~~ (6) recognize and identification of identify the beneficial aspects of mining.

Sec. 3. Minnesota Statutes 1988, section 156A.02, is amended to read:

**156A.02 [DEFINITIONS; EXCLUSIONS.]**

Subdivision 1. For the purposes of sections 156A.01 to ~~156A.08~~ 156A.09, the following terms have the meanings given them in this section.

Subd. 1a. [WATER WELL.] "Water well" means any excavation that is drilled, cored, bored, washed, driven, dug, jetted, or otherwise constructed when the intended use of the same excavation is intended for the location, diversion, artificial recharge, or acquisition extraction of groundwater; ~~provided, however, that the term~~ Water well includes monitoring well as defined in subdivision 13. Water well does not include excavation by backhoe, or otherwise for temporary dewatering of groundwater for nonpotable use during construction, where the depth thereof of the excavation is 25 feet or less; nor shall does it include an excavation other than exploratory boring made for the purpose of obtaining to obtain or prospecting prospect for oil, natural gas, minerals, or products of mining or quarrying, or for the inserting excavation to insert media to repressure oil or natural gas bearing formations or for storing to

store petroleum, natural gas, or other products; nor an excavation for nonpotable use for wildfire suppression activities.

Subd. 1b. [DEPARTMENT.] "Department" means the department of health.

Subd. 1c. [DEWATERING WELL.] "Dewatering well" means any water well that is used to lower the groundwater level or piezometric surface and maintain the level or piezometric surface at a predetermined depth.

Subd. 2. [WATER WELL CONTRACTOR OR CONTRACTOR.] For the purposes of sections 156A.01 to 156A.08, "Water well contractor" and "contractor" means any person, firm, copartnership partnership, association or corporation, who shall construct constructs, abandon, or repair repairs, or seals a water well or seals a water well upon land other than its own for compensation.

Subd. 2a. [WATER WELL DRILLING MACHINE.] "Water well drilling machine" means any machine or device such as a cable tool, rotary, hollow rod, or auger, used for construction, abandonment, or repair, or sealing of a water well or a hole excavated for an elevator or a hydraulic cylinder.

Subd. 3. Sections 156A.01 to 156A.08 shall not require licensing of (1) an individual who drills a water well on land which is owned or leased by the individual and is used by the individual for farming or agricultural purposes or as the individual's place of abode, or (2) to an individual who performs labor or services for a water well contractor in connection with the drilling, abandonment, or repair of a water well at the direction and at the personal supervision of a licensed water well contractor; provided, however, that the individual shall comply with all other provisions of sections 156A.01 to 156A.08 and with any rule or well code adopted thereunder.

Subd. 4. [EXPLORER.] For the purposes of sections 156A.01 to 156A.08 "Explorer" means a person who has the right to drill any exploratory boring.

Subd. 5. [EXPLORATORY BORING.] For the purposes of sections 156A.01 to 156A.08 "Exploratory boring" means any surface drilling done for the purpose of exploring to explore or prospecting prospect for oil, natural gas, and metallic minerals, including but not limited to the following: iron, copper, zinc, lead, gold, silver, titanium, vanadium, nickel, cadmium, molybdenum, chromium, manganese, cobalt, zirconium, beryllium, thorium, uranium, aluminum, platinum, palladium, radium, tantalum, tin, and niobium. "Exploratory boring" does not include drilling done in the Biwabik iron formation in relation to natural iron ore or activities regulated pursuant according to section 298.48.

Subd. 6. [GROUNDWATER THERMAL EXCHANGE DEVICE.] For the purposes of sections 156A.02 to 156A.10 "Groundwater thermal exchange device" means any heating or cooling device, the operation of which is dependent upon extraction and reinjection of groundwaters from an independent aquifer. Thermal exchange devices licensed under this chapter shall be sealed against the introduction of any foreign substance into the system, but shall be so constructed as to permit periodic inspection of water quality and temperature.

Subd. 7. [VERTICAL HEAT EXCHANGER.] For the purposes of sections 156A.02 to 156A.11 "Vertical heat exchanger" means any earth-coupled heating or cooling device consisting of a sealed piping system installed vertically in the ground for the purpose of transferring to transfer heat to or from the surrounding earth.

Subd. 8. [COMMISSIONER.] "Commissioner" means the commissioner of health.

Subd. 9. [DELEGATED AGENCY.] "Delegated agency" means a board of health as defined in chapter 145A that has an agreement with the commissioner of health to perform all or part of the inspection, reporting, and enforcement duties authorized under provisions of this chapter and the water well construction code as defined in subdivision 15, pertaining to the permitting, construction, repair, and sealing of water wells and holes excavated to install elevator shafts and hydraulic cylinders.

Subd. 10. [ELEVATOR SHAFT.] "Elevator shaft" means any bore hole, jack hole, drilled hole, or excavation constructed to install an elevator shaft or hydraulic cylinder for elevators.

Subd. 11. [ELEVATOR SHAFT CONTRACTOR.] "Elevator shaft contractor" means a person, firm, partnership, or corporation licensed by the commissioner to drill or excavate holes to install elevator shafts and hydraulic cylinders.

Subd. 12. [ENVIRONMENTAL BORE HOLE.] "Environmental bore hole" means a hole drilled, cored, bored, washed, driven, dug, or jetted in the ground used to monitor chemical, radiological or biological contaminants. An environmental bore hole does not include any other well, boring, or other excavation as defined in this chapter.

Subd. 13. [LIMITED WATER WELL CONTRACTOR.] "Limited water well contractor" means a person, firm, partnership, association, or corporation licensed to perform one or more of the following activities:

- (1) modify or repair well casings, well screens, or well diameters;

(2) construct unconventional wells such as drive points or dug wells;

(3) seal wells;

(4) install water well pumps or pumping equipment; or

(5) excavate holes for installation of elevator shafts or hydraulic cylinders for elevators.

Subd. 14. [MONITORING WELL.] "Monitoring well" means any excavation that is drilled, cored, bored, washed, driven, dug, jetted, or otherwise constructed for the purpose of extracting groundwater for physical, chemical, or biological testing. Monitoring well includes water wells installed to measure groundwater levels or to test hydrologic properties in an area being investigated for potential or existing groundwater contamination.

Subd. 15. [MONITORING WELL CONTRACTOR.] "Monitoring well contractor" means a person who is registered by the department to construct monitoring wells and who is a professional engineer registered according to sections 326.02 to 326.15 in the branches of civil or geological engineering, or a geologist certified by the American Institute of Professional Geologists.

Subd. 16. [WELLHEAD PROTECTION AREA.] "Wellhead protection area" means the surface and subsurface area surrounding a water well or well field that supplies a public water system, through which contaminants are likely to move toward and reach the water well or well field.

Subd. 17. [WELL CERTIFICATE.] "Well certificate" means the certificate containing information required under section 156A.043, subdivision 4. A well certificate is submitted at the time of property sale or transfer to the county recorder and subsequently to the department of health.

Subd. 18. [DRIVE POINT WELL.] "Drive point well" means a well constructed by forcing a pointed well screen, attached to sections of pipe, into the ground. The screen and casing are forced or driven into the ground with a hammer, maul, or weight. Drive points are typically installed in 1¼ to two inch casings, soft formations, and shallow aquifers.

Sec. 4. Minnesota Statutes 1988, section 156A.03, is amended to read:

156A.03 [REGULATION AND LICENSING.]

Subdivision 1. [COMMISSIONER OF HEALTH REGULATES

WATER WELL WORK AND MONITORING WELL WORK AND EXCAVATION FOR ELEVATOR SHAFTS AND HYDRAULIC CYLINDERS.] The state commissioner of health shall regulate and license the: (1) drilling and, constructing, and repair of all water wells within this state; (2) sealing of unused wells; (3) installing of water well pumps and pumping equipment; (4) excavating or drilling holes for the installation of elevator shafts and hydraulic cylinders for elevators and sealing of holes excavated for the installation of elevator shafts and hydraulic cylinders for elevators; and (5) installing and sealing environmental bore holes. The commissioner of health shall examine and license water well contractors and, limited water well contractors, and elevator shaft contractors and shall examine and register monitoring well contractors. The commissioner of health shall establish standards for installing and sealing environmental bore holes. After consultation with the commissioner of natural resources and the pollution control agency, the commissioner shall establish standards for the design, location, construction, abandonment, and repair and sealing of water wells within this state. As provided in section 156A.071, the commissioner shall license explorers engaged in exploratory boring and shall examine individuals who supervise or oversee exploratory boring.

Subd. 2. [WATER WELL CONTRACTORS MUST BE LICENSED.] No contractor person shall drill, construct, abandon, or repair a water well within this state unless in possession of a valid license to do so issued annually by the state commissioner of health. An applicant who is otherwise qualified but who does not have practical field experience in the operation of conventional drilling machines such as a cable tool, rotary, hollow rod, or auger, but who does install unconventional wells such as drive point, or who is in the well repair service which involves modification to the well casing, screen, depth, or diameter below the upper termination of the well casing, shall have the license limited to such water well contracting work.

A person who desires to drill, construct, repair, or seal one or more wells in this state must apply to the commissioner of health for a water well contractor's license. In the application, the person must set out qualifications for the license, the equipment the person will use in the contracting, and other information required by the commissioner. The application must be on forms prescribed by the commissioner. The commissioner shall charge a fee of \$50 according to section 144.122 for the filing of the application by any person. The commissioner shall not act upon any application until the fee has been paid. When the commissioner has approved the application, the applicant shall take an examination given by the commissioner.

Subd. 2a. [LIMITED LICENSES REQUIRED FOR CERTAIN WORK.] (a) A limited water well contractor, as defined in section 156A.02, subdivision 12, may obtain a license limited to the following work:

(1) modifying or repairing well casings, well screens, or well diameters;

(2) constructing unconventional wells such as drive points or dug wells;

(3) sealing wells; or

(4) installing water well pumps or pumping equipment; or

(5) excavating holes to install elevator shafts or hydraulic cylinders for elevators.

(b) After December 31, 1989, no person shall perform the work described in this subdivision, within this state, unless the individual possesses a valid license issued annually by the commissioner of health. A person performing the work under this section must apply to the commissioner for a license. In the application, the person must set out qualifications for the license, the equipment the person will use in the contracting, and other information required by the commissioner. The application must be on forms prescribed by the commissioner. The commissioner shall charge a fee of \$50 for the filing of the application. The commissioner shall not act upon an application until the fee has been paid. When the commissioner has approved the application, the applicant shall take an examination given by the commissioner. All of the conditions in paragraph (a) apply to persons excavating holes to install elevator shafts or hydraulic cylinders for elevators except that the license requirement applies after December 1990.

Subd. 3. [EXEMPTION FROM LICENSING MONITORING WELL CONTRACTORS MUST BE REGISTERED.] A professional engineer registered pursuant to the provisions of sections 326.02 to 326.15, in the branches of civil or geological engineering, shall not be required to be licensed as a water well contractor under the provisions of this section to drill test borings or to install piezometer wells for engineering purposes, or to construct groundwater quality sampling and monitoring wells as defined in rules promulgated by the commissioner. Test holes, piezometer wells installed for engineering purposes, and other wells described by this subdivision, shall be constructed, maintained and abandoned in accordance with this chapter and the rules promulgated thereunder.

Any A professional engineer or certified geologist engaged in the practice of constructing groundwater quality sampling and sealing monitoring wells as described in this subdivision section 3, subdivision 14, and environmental bore holes as described in section 3, subdivision 12, shall register with the commissioner on forms provided by the commissioner. A monitoring well contractor shall not be required to be licensed as a water well contractor.

After December 31, 1990, a person seeking initial registration as a monitoring well contractor under this subdivision must meet examination and experience requirements that the commissioner establishes in rule.

Subd. 4. [EXEMPTIONS FROM LICENSING REQUIREMENTS.] (a) Sections 156A.01 to 156A.09 do not require licensing of (1) an individual who drills a water well on land that is owned or leased by the individual and is used by the individual for farming or agricultural purposes or as the individual's place of abode, or (2) an individual who performs labor or services for a water well contractor in connection with the drilling, repair, or sealing of a water well at the direction and at the personal supervision of a licensed water well contractor. An individual exempt under this subdivision must comply with sections 156A.01 to 156A.09 and with any rule adopted under those sections.

(b) Test holes, piezometer wells installed for engineering purposes, and other wells described by this subdivision, shall be constructed, maintained, and sealed according to sections 156A.01 to 156A.09, and the rules adopted under those sections.

Subd. 5. [BONDING REQUIREMENTS.] As a condition of licensing water well contractors, limited water well contractors or registering monitoring well contractors under this section, a person seeking a license or registration shall give a \$10,000 bond to the state. The bond shall be conditioned upon the faithful and lawful performance of work contracted for or performed by the person in Minnesota. The bond shall be for the benefit of persons injured or suffering financial loss by reason of failure of the performance. The bond shall be in lieu of all other license bonds to any political subdivision of the state. The bond shall be written by a corporate surety licensed to do business in Minnesota.

Subd. 6. [LICENSE AND REGISTRATION FEE; ISSUANCE OF LICENSE OR REGISTRATION.] On successfully passing the examination for original license or registration required under subdivision 2 or 3, and showing evidence of bonding required in subdivision 5, the applicant shall submit to the commissioner a license fee of \$250 or a registration fee of \$50. Upon receiving the fee and bond information, the commissioner may issue a license or registration.

Subd. 7. [NONTRANSFERABILITY OF LICENSES AND REGISTRATION; RENEWAL PROCEDURES.] A license or registration issued under this section is not transferable. The person licensed or registered must submit to the commissioner an application to renew the license or registration on a date set by the commissioner. The renewal application must be accompanied by a fee set by the commissioner under section 144.122. The application must also include documentation that the person has met requirements for continuing education that the commissioner establishes by rule. The

person must also pay a penalty fee set by the commissioner under section 144.122 if the person submits the renewal application after the required renewal date. If a person submits a renewal application after the required renewal date, the person shall not perform the work for which the person was licensed or registered from the renewal date until the date the person submits an application, fee, and penalty fee.

Subd. 8. [REGISTRATION OF DRILLING MACHINES REQUIRED.] As part of the application for licensing or registration, or annual renewal of a license or registration, a person licensed or registered under this section must pay an annual fee of \$100 for the registration with the commissioner of each drilling machine used to construct water wells and monitoring wells and to excavate holes for elevator shafts or hydraulic cylinders, and \$50 for the registration of each machine such as a pump hoist used to repair wells, seal wells, or install pumps.

Subd. 9. [FEES DEPOSITED WITH STATE TREASURER.] Fees collected for licenses or registration under this section shall be submitted to the department for deposit in the general fund.

Subd. 10. [RECIPROCITY.] The commissioner may license or register, without giving an examination, a person who is licensed or registered in any state, territory, or possession of the United States, or any foreign country, if: (1) the requirements for licensing or registration under which the water well contractor was licensed or registered do not conflict with sections 156A.01 to 156A.09; (2) the requirements are of a standard not lower than that specified by the rules adopted under sections 156A.01 to 156A.09; and (3) equal reciprocal privileges are granted to licensees of this state. A person who seeks a license or registration under this subdivision must apply for the license or registration and pay the fees required under this section.

Subd. 11. [POLITICAL SUBDIVISIONS CANNOT REQUIRE ADDITIONAL LICENSES OR REGISTRATION.] No political subdivision shall require a person licensed or registered under this section to pay a license or registration fee. However, a political subdivision shall be provided upon request with a list of licensed water well contractors, limited water well contractors, elevator shaft contractors, and monitoring well contractors.

Sec. 5. [156A.041] [REQUIREMENTS FOR WATER WELL AND MONITORING WELL CONSTRUCTION AND SEALING AND ELEVATOR SHAFT EXCAVATION AND SEALING.]

Subdivision 1. [WRITTEN CONTRACT REQUIRED.] A person licensed or registered under sections 156A.01 to 156A.09 shall not construct or seal a well or excavate or seal a hole for an elevator shaft or hydraulic cylinder until the well owner or owner of the

property on which the water well or hole for the elevator shaft or hydraulic cylinder is located and the person signs a written contract that describes the nature of the work to be performed and the estimated cost of the work. A person may not construct a monitoring well until the owner of the property on which the well is located and the well owner sign a written contract that describes the nature of the work to be performed, the estimated cost of the work, and provisions for sealing the well.

Subd. 2. [PERMIT REQUIRED.] After December 31, 1989, a person shall not construct a water well, dewatering well, or a monitoring well, and after December 31, 1990, excavate a hole to install an elevator shaft or hydraulic cylinder for an elevator, until the commissioner of health or delegated agency issues a permit for construction. If an initial well is unsuccessful, the permit shall be modified to indicate the location of the successful well. No other permit may be required by a county or municipality. The commissioner of health may adopt rules that modify the procedures for applying for a permit for construction when conditions arise that endanger the public health and welfare or cause a need to protect the groundwater and those conditions require the monitoring well contractor, elevator shaft contractor, or well contractor to begin constructing a water well or hole for an elevator shaft or hydraulic cylinder before obtaining a permit. The owner of a well shall obtain an annual maintenance permit for:

(1) a water well that is used less than nine days a year as a primary source of water for domestic, agricultural, commercial, industrial or public use;

(2) a monitoring well that is used for more than 12 months after completion of construction;

(3) a water well used as a secondary or a backup source of water located on a property served by a public water supply; or

(4) a dewatering well that is used for more than 12 months after completion of construction.

Subd. 3. [WATER WELLS MUST BE IDENTIFIED.] When a water well has been constructed, the contractor shall attach to the well a label showing the unique well number, the depth of the well, the contractor's name, and the date the well was constructed.

Subd. 4. [NONCONFORMING MONITORING WELL.] Any monitoring well whose casing is completed less than 12 inches above grade, may only be constructed if there is no alternative location for constructing a well that ends at least 12 inches above grade. All these monitoring wells must be constructed and sealed in accordance with rules to be adopted by the commissioner.

(a) A plan describing the proposed location and construction of the monitoring well shall be submitted for review and approval by the commissioner before construction. A \$150 fee shall accompany the plan.

(b) After December 31, 1989, a person shall not construct a nonconforming monitoring well until the commissioner of health or delegated agency issues a permit for construction. The owner of a nonconforming monitoring well shall obtain an annual maintenance permit for a well that is used for more than 12 months after completion of construction.

Subd. 5. [DISTANCE REQUIREMENTS FOR SOURCES OF CONTAMINATION.] No person may place, construct, or install an actual or potential source of contamination any closer to a well than the isolation distances set in the Minnesota water well code adopted under section 156A.05 unless a variance has been issued by the commissioner according to the procedures in the water well construction code.

Subd. 6. [WHEN A WATER WELL MUST BE SEALED.] A water well must be permanently sealed according to the water well construction code if any or all of the following conditions exist:

- (1) the water well is contaminated;
- (2) the water well has not been sealed according to the rules of the commissioner;
- (3) the water well is located, constructed, or maintained in such a manner that its continued use or existence endangers the quality of the groundwater or provides a health or safety hazard;
- (4) the water well does not produce water because it is not equipped with an operable pump or the electrical supply has been disconnected from the well, or
- (5) the water well has construction failure that may include holes in the casing, collapsed hole, plugged screens, or pumps only sediment or sand.

Subd. 7. [REPORT OF WORK.] Within 30 days after completion or sealing of a well or completion of an excavation for or sealing of an elevator shaft or hydraulic cylinder, a person licensed or registered under this chapter or a person exempt under section 156A.03, subdivision 4, paragraph (a), clause (1), shall submit to the commissioner of health a verified report upon forms provided by the commissioner. The report must contain the following information: (1) the name and address of the owner of the well, elevator shaft or hydraulic cylinder shaft and the actual location of the well or

elevator shaft or hydraulic cylinder shaft; (2) a log of the materials and water encountered in connection with drilling, and related pumping tests; and (3) other information the commissioner may require concerning the drilling or sealing of the well or hole for an elevator shaft or hydraulic cylinder. Within 30 days after receiving the report, the commissioner of health shall send one copy of the report to the commissioner of natural resources, the local soil and water conservation district within which the well or elevator shaft or hydraulic cylinder shaft is located, and one copy to the director of the Minnesota geological survey.

Sec. 6. [156A.042] [ENVIRONMENTAL BORE HOLES.]

Any environmental bore hole shall be constructed, sealed, and reported in accordance with rules to be adopted by the commissioner.

Sec. 7. [156A.043] [RIGHTS AND DUTIES OF OWNER OF PROPERTY ON WHICH A WATER WELL IS LOCATED.]

Subdivision 1. [PERMITS AND FEES FOR WATER WELLS AND HOLES EXCAVATED TO INSTALL ELEVATOR SHAFTS OR HYDRAULIC CYLINDERS FOR ELEVATORS.] The owner of the property on which a well is located must obtain a permit for well construction from the commissioner or delegated agency. The owner must pay a fee of \$150 for a new well drilled with pumping capacity of less than 50 gallons a minute; and \$300 for wells with pumping capacity of 50 gallons a minute or more. The owner of a well that is unsealed and that meets any of the conditions in section 5, subdivision 2, must pay an annual maintenance permit fee of \$50.

The owner of the property on which water wells are constructed for the purpose of dewatering shall pay a permit fee of \$50 for each well constructed. A dewatering project comprising more than ten wells shall be issued a single permit for \$500. All the wells constructed for a project must be recorded on the permit.

The owner of the property with dewatering wells operating for more than 12 months after completion of construction must pay an annual maintenance permit fee of \$25 for each well.

For monitoring wells and nonconforming monitoring wells, the owner of the land on which a monitoring well is located must obtain a permit for each well. The fee for construction of monitoring wells is \$50 for each well. The property owner must annually renew the permit and pay a maintenance fee of \$25 for each well.

For excavating holes for the purpose of installing elevator shafts or hydraulic cylinders for elevators, the owner of the property must obtain a permit for each hole to be excavated. The fee for excavating

holes for elevator shafts or hydraulic cylinders for elevators is \$150 for each hole.

Subd. 2. [DISCLOSURE OF WELLS TO BUYER.] Effective July 1, 1990, before signing an agreement to sell or transfer property, the seller or transferor shall disclose in writing to the buyer or transferee information about the status and the location of all wells on the property, including the town, range, section, and quartile. In the disclosure, the seller or transferor must indicate, for each well, whether it is in use, not in use, or permanently sealed. At the time of sale, the same information must be provided on a well certificate form available from the commissioner signed by the seller or transferor of the property. The county recorder shall not record a deed, instrument, or writing for which a certificate of value is required under section 272.115, unless the well certificate required by this section accompanies the deed, instrument, or writing. The owner shall retain a copy. The county recorder shall transmit the well certificate to the department of health within 30 days after receiving the certificate.

Subd. 3. [FAILURE TO DISCLOSE AT TIME OF SALE.] If a seller or transferor fails to disclose the existence of a well at the time of sale, the buyer or transferee has a civil right of action for damages against the seller for any costs relating to the cleanup of any groundwater contamination related to the fact that the well was not properly sealed at the time of sale. The right of action must be exercised by the buyer or transferee within six years after the date the buyer purchased or transferee received the property on which the well is located.

Subd. 4. [WHO MUST SEAL WELLS.] To seal wells, the owner of property on which a well is located shall employ a licensed water well contractor or a contractor with a license to seal unused wells. The owner of property with monitoring wells, or holes for elevator shafts, or hydraulic cylinders for elevators shall employ a licensed water well contractor, a contractor with a license to seal unused wells, or a monitoring well contractor to seal monitoring wells no longer in use; and an elevator shaft contractor to seal holes no longer used for elevator shafts or shafts for hydraulic cylinders for elevators.

Subd. 5. [OWNER'S CAUSE OF ACTION.] The owner of the property on which a water well or a shaft for an elevator or hydraulic cylinder for an elevator is located has a cause of action for civil damages against a person whose action or inaction caused contamination of the well. The right of an owner to maintain a cause of action extends for a period of six years after the owner knows or becomes aware of the contamination of the well. The court may award damages, reasonable attorneys' fees, and costs and disbursements.

Subd. 6. [FEES DEPOSITED WITH STATE TREASURER.] Fees collected for permits or registration under this section shall be submitted to the department for deposit in the general fund.

Sec. 8. [156A.045] [PERMITS FOR GROUNDWATER THERMAL EXCHANGE DEVICES.]

Subdivision 1. [PERMIT REQUIRED.] Notwithstanding any department or agency rule to the contrary, the commissioner shall issue, upon request by the owner of the property and submission of a \$50 fee, permits for the reinjection of water by a properly constructed well into the same aquifer from which the water was drawn for the operation of a groundwater thermal exchange device.

Subd. 2. [PROCEDURES FOR GROUNDWATER EXCHANGE.] Withdrawal and reinjection shall be accomplished by a closed system in which the waters drawn for thermal exchange have no contact or commingling with water from other sources or with any polluting material or substances. The closed system must be constructed to allow opening for inspection by the commissioner. Wells that are part of a groundwater thermal exchange system shall serve no other function. However, water may be supplied to the domestic water system if the supply is taken off the thermal exchange system ahead of the heat exchange unit, and if the water discharges to a break tank through an air gap that is at least twice the effective diameter of the water inlet to the tank. A groundwater thermal exchange system may be used for domestic water heating only if the water heating device is an integral part of the heat exchange unit that is used for space heating and cooling.

Subd. 3. [LIMITATIONS AND REQUIREMENTS FOR PERMITS.] As a condition of the permit issued under subdivision 1, an applicant shall agree to allow inspection by the commissioner of health during regular working hours for department inspectors. A maximum of 200 permits shall be issued for small systems having maximum capacities of 20 gallons per minute or less. The small systems shall be subject to inspection twice a year. A maximum of ten permits shall be issued for larger systems having maximum capacities from 20 to 50 gallons per minute. These larger systems shall be subject to inspection four times a year. The commissioner may adopt rules to administer this section.

Subd. 4. [REQUIREMENTS FOR WATER APPROPRIATION APPLY.] Water appropriation permit requirements and penalties provided in sections 105.41 to 105.416 and related rules adopted and enforced by the department of natural resources apply to groundwater thermal exchange permit recipients. A person issued a permit under subdivision 1 must comply with this section for the permit to be valid. Noncompliance subjects the person to sanctions for the noncomplying activity that are available to the department of health and pollution control agency.

Sec. 9. [156A.047] [VERTICAL HEAT EXCHANGER; LICENSING AND REGULATION.]

Subdivision 1. [LICENSE REQUIREMENTS.] No water well contractor shall drill or construct any excavation used to install a vertical heat exchanger unless the water well contractor has a valid water well contractor's license.

Subd. 2. [REGULATIONS FOR VERTICAL HEAT EXCHANGERS.] Vertical heat exchangers must be constructed, maintained, and sealed according to sections 156A.01 to 156A.09, and rules adopted under those sections.

Subd. 3. [PERMIT REQUIRED.] No water well contractor shall install a vertical heat exchanger without first obtaining a permit from the commissioner of health. The water well contractor must apply for the permit on forms provided by the commissioner and must pay a \$50 fee. As a condition of the permit, the owner of the property on which the vertical heat exchanger is to be installed shall agree to allow inspection by the commissioner, or an agent, during regular working hours of department of health inspectors.

Sec. 10. Minnesota Statutes 1988, section 156A.05, is amended to read:

156A.05 [POWERS AND DUTIES OF THE COMMISSIONER OF HEALTH.]

Subdivision 1. [POWERS OF COMMISSIONER.] The state commissioner of health shall possess all possesses the powers reasonable and necessary to exercise effectively the authority granted by sections 156A.01 to 156A.08 156A.09.

Subd. 1a. [DUTIES.] The commissioner shall:

(1) regulate the drilling, construction, and sealing of water wells within this state;

(2) examine and license water well contractors, persons modifying or repairing well casings, well screens, or well diameters; constructing unconventional wells such as drive points or dug wells; sealing wells; installing water well pumps or pumping equipment; and excavating or drilling holes for the installation of elevator shafts or hydraulic cylinders for elevators; and sealing holes for elevator shafts and hydraulic cylinders for elevator shafts;

(3) register and examine monitoring well contractors;

(4) license explorers engaged in exploratory boring and examine individuals who supervise or oversee exploratory boring;

(5) after consultation with the commissioner of natural resources and the pollution control agency, establish standards for the design, location, construction, repair, and sealing of water wells and holes for elevator shafts or hydraulic cylinders within the state; and

(6) issue permits for construction and maintenance of wells, groundwater thermal devices, vertical heat exchangers, and excavation for holes to install elevator shafts or hydraulic cylinders.

Subd. 1b. [PROCEDURES FOR PERMITS.] The commissioner of health shall establish procedures for application, approval, and issuance of permits by rule. The commissioner may modify fees by rule.

Subd. 1c. [FEES FOR VARIANCES.] The commissioner of health shall charge a fee of \$150 to cover the administrative cost of processing a request for a variance or modification of rules under Minnesota Rules, part 4725.0400. The fee is nonrefundable.

Subd. 2. [COMMISSIONER TO ADOPT RULES.] The commissioner of health shall by December 31, 1971, in the manner prescribed by chapter 15, hold a public hearing and promulgate adopt rules necessary under chapter 14 to carry out the purposes of sections 156A.01 to 156A.08 156A.09 including, but not limited to:

(a) Issuance of licenses for qualified water well contractors, persons modifying or repairing well casings, well screens, or well diameters; constructing unconventional wells such as drive points or dug wells; sealing wells; installing water well pumps or pumping equipment and excavating holes for installing elevator shafts or hydraulic cylinders; and issuance of registration for monitoring well contractors.

(b) Establishment of conditions for examination and review of applications for license.

(c) Establishment of conditions for revocation and suspension of license.

(d) Establishment of minimum standards for design, location, construction, abandonment, and repair, and sealing of wells and holes dug to construct elevator shafts or hydraulic cylinders, to effectuate carry out the purpose and intent of sections 156A.01 to 156A.08 156A.09. The use of plastic water well casing is expressly permitted and the commissioner shall adopt appropriate construction procedures and material standards in rule.

(e) Establishment of a system for reporting on wells drilled and abandoned by licensed water well contractors sealed.

(f) Modification of fees prescribed in chapter 156A, according to the procedures for setting fees in sections 16A.128 and 144.122.

(g) Establishment of standards for the construction, maintenance, sealing, and water quality monitoring of wells in areas of known or suspected contamination.

(h) Establishment of wellhead protection measures for water wells serving public water supplies.

(i) Establishment of procedures for coordinating collection of well data with other state and local governmental agencies.

(j) Establishment of criteria and procedures for submission of reports, formation samples or cuttings, water samples, or other special information required for geologic and water resource mapping.

Subd. 3. [INSPECTIONS BY COMMISSIONER.] The state commissioner of health may inspect and have access at all reasonable times to any well site, including water wells drilled, abandoned sealed, or repaired or being drilled, abandoned, or repaired, and shall have access to same at all reasonable times. The commissioner may also collect water samples from the wells.

Subd. 4. [COMMISSIONER MAY ORDER REPAIRS AND SEALING OF WELLS.] The commissioner may order the owner of a well to take remedial measures, including making repairs, reconstructing or abandoning sealing the well in accordance with according to rules of the commissioner. The order may be issued if the commissioner determines, based upon inspection of the well and site or an analysis of water from the well, that any of the following conditions exist:

(1) the well is contaminated,

(2) the well has not been abandoned in accordance with sealed according to the rules of the commissioner,

(3) the well is in such a state of disrepair that its continued existence endangers the quality of the groundwater located, constructed, or maintained in such a manner that its continued use or existence endangers the quality of the groundwater or provides a health or safety hazard,

(4) the water well does not produce water because it is not equipped with an operable pump or the electrical supply has been disconnected from the well, or

(5) the well is located in such a place or constructed in such a

manner that its continued use or existence endangers the quality of the groundwater the water well has construction failure that may include holes in the casing, collapsed holes, plugged screens, or pumps only sediment or sand.

The order may be enforced in an action to seek compliance brought by the commissioner in the district court of the county in which the well is located.

The owner has a cause of action for civil damages against any person whose action or inaction caused contamination of the well. The right of an owner to maintain a course of action as provided herein extends for a period of six years after the owner knows or becomes aware of the contamination of the well. The court shall award damages, reasonable attorneys' fees, and costs and disbursements.

The commissioner may also order the owner of the property on which a monitoring well or dewatering well is located, to seal a well if the owner does not obtain a maintenance permit for a monitoring well, nonconforming monitoring well, or dewatering well within 14 months after construction, or does not renew the maintenance permit annually thereafter.

Subd. 5. [COMMISSIONER MAY RECOVER COSTS.] Failure to comply with a commissioner's order to seal a water well may result in the commissioner entering into a contract to have the well sealed. Any expense incurred by the state in sealing a well pursuant to an order to seal shall constitute and be a lien in favor of the state against the land involved. The state may recover its costs by either of the following means:

(a) The amount of the expense shall be certified to the county auditor, who shall enter the expense upon the tax books, as a special assessment upon the land, to be collected in the same manner as other real estate taxes on the parcel for the next year.

(b) If the amount certified in paragraph (a) exceeds \$1,000, the state may allow the assessment to be collected in ten equal annual installments payable to the county treasurer with the taxes on the property next due. When collected by the county treasurer the amount shall be reimbursed to the state treasurer.

(c) The lien attaches to real property on which the well is located. The lien is perfected by filing a copy of the lien with the county recorder or registrar of deed where the well and property are located and serving or mailing by return receipt a copy of the lien to the property owner.

Subd. 6. [ENFORCEMENT OF THE LIEN.] The commissioner

may enforce the lien in the manner provided for a judgment lien under chapter 550 or certify the amount to the county auditor, which must be assessed against the property and collected in the same manner as real estate taxes.

Subd. 7. [ASSESSMENT OF INSTALLMENTS.] (a) In lieu of certifying the entire amount to be collected, the commissioner may have the amount due assessed in seven or less equal installments.

(b) The installment due must be entered on the tax lists for the year and collected in the same manner as real estate taxes for that year by collecting one-half of the total of the installment with and as a part of the real estate taxes.

Subd. 8. [SATISFACTION OF LIEN.] The amount due of a lien under this section may be paid at any time. When the amount of the lien is paid, the commissioner must execute a satisfaction of the lien and record the satisfaction with the county recorder or registrar of deeds where the lien was filed.

Subd. 9. [APPROPRIATION OF RECOVERED COSTS.] Costs of sealing wells recovered from property owners shall be deposited in the state treasury and credited to the account from which the amounts were originally appropriated.

Sec. 11. Minnesota Statutes 1988, section 156A.06, is amended to read:

156A.06. [WATER WELL CONTRACTORS AND EXPLORATORY BORERS ADVISORY COUNCIL ON WATER WELLS AND EXPLORATORY BORING; MEMBERS; TERMS; EMPLOYEES.]

Subdivision 1. [ADVISORY COUNCIL ESTABLISHED.] There is hereby created (a) The advisory council on water well contractors and wells, exploratory borers advisory council, herein referred to as the borings, and elevator shaft excavations ("advisory council;") is established as an advisory council to the state commissioner of health. The advisory council shall be composed consist of 16 15 voting members. Of the 16 15 voting members;

(1) one member shall be from the state department of health, appointed by the state commissioner of health;

(2) one member shall be from the department of natural resources, appointed by the commissioner of natural resources;

(3) one member shall be a member of the Minnesota geological survey of the University of Minnesota appointed by the director; two members

(4) one member shall be engaged in the business of exploratory boring for minerals a licensed exploratory borer;

(5) one member shall be a licensed elevator shaft contractor;

(6) two members must be members of the public members who are not connected with the business of exploratory boring or the water well drilling industry;

(7) one member shall be from the pollution control agency, appointed by the commissioner of the pollution control agency;

(8) one member shall be a professional engineer monitoring well contractor; one member shall be a certified professional geologist; and

(9) six members shall be contractors must be residents of Minnesota appointed by the commissioner of health, who are actively engaged in the water well drilling industry, with not to exceed more than two from the seven county metropolitan area and at least four from the remainder rest of the state who shall be representative of represent different geographical regions.

(b) They shall be residents of the state of Minnesota and appointed by the commissioner of health. No appointee of the water well drilling industry shall serve more than two consecutive terms. The appointees to the advisory council from the water well drilling industry shall must have been bona fide residents of this state for a period of at least three years prior to before appointment and shall. Members must have had at least five years experience in the water well drilling business. Expiration of the council shall expire, and the terms of the appointed members and the compensation and removal of all members shall be as provided in are governed by section 15.059.

Sec. 12. Minnesota Statutes 1988, section 156A.071, is amended to read:

**156A.071 [EXPLORATORY BORING; LICENSING AND REGULATION PROCEDURES.]**

Subdivision 1. [DEFINITIONS.] For the purposes of this section, the following words have the meanings given them:

(a) "Data" includes but is not limited to all samples and factual noninterpreted data obtained from exploratory borings and samples including analytical results;

(b) "Parcel" means a government section, fractional section, or government lot; and

(c) "Samples" means at least a one-quarter portion of all samples from exploratory borings that are customarily collected by the explorer.

Subd. 2. [LICENSING LICENSE REQUIRED.] An explorer engaging in exploratory boring shall obtain a license to do so in accordance with according to the provisions of this chapter and the rules adopted thereunder under this chapter. The explorer may designate a responsible individual who supervises and oversees the making of exploratory borings. Before an individual supervises or oversees an exploratory boring, the individual shall take and pass an examination on those sections of the Minnesota Water Well Construction Code relating to construction, location, and abandonment sealing of wells, which apply to exploratory borings. A professional engineer registered pursuant according to sections 326.02 to 326.15, or a certified professional geologist shall is not be required to take the examination specified required in this section subdivision but shall be required to must be licensed in accordance with according to this section to engage in exploratory boring.

Subd. 3. [REGISTRATION.] At least 30 days prior to before commencing exploratory borings, an explorer shall register with the commissioner of natural resources and provide a copy of the registration to the commissioner of health. The registration shall include:

(a) The identity of the firm, association, or company engaged in exploratory boring; and

(b) The identification of an agent, including the agent's business address. The commissioner of natural resources may require a bond, security, or other assurance from an explorer if the commissioner of natural resources has reasonable doubts as to about the explorer's financial ability to comply with requirements of law relating to exploratory boring. An explorer shall register annually with the commissioner of natural resources while conducting exploratory boring.

Subd. 4. [INFORMATIONAL REQUIREMENTS.] At least ten days prior to the commencement of before beginning exploratory boring, each an explorer shall submit to the commissioner of natural resources a county road map having a scale of one-half inch equal to one mile, as prepared by the state department of transportation, indicating showing the location of each proposed exploratory boring to the nearest estimated 40 acre parcel. The explorer must submit a copy of this map shall be submitted to the commissioner of health.

Subd. 5. [ACCESS TO DRILL SITES.] The commissioner of health, the commissioner of natural resources, the commissioner of the pollution control agency, the agent of a board of community health board as authorized under section 145A.04, and their officers and employees shall have access to exploratory boring sites for the

purpose of inspecting to inspect the drill holes, drilling, and abandonment sealing of exploratory borings, and for the purpose of sampling to sample ambient air and drilling waters, and measuring to measure the radioactivity of the waste drill cuttings at the drilling site at the time of on-site observation.

Subd. 6. [EMERGENCY NOTIFICATION.] The explorer shall promptly notify the commissioner of health, the commissioner of natural resources, the pollution control agency, and the authorized agent board of health of any occurrence during exploratory boring that has a potential for significant adverse health or environmental effects and. The explorer shall take such reasonable action as may be reasonably possible to minimize such the adverse effects. The commissioner of health may inspect data prior to before its submission as required by subdivision 8, if necessary, to accomplish the purposes of the laws relating to explorers and exploratory borings. The data examined by the commissioner of health shall be considered to be is not public data prior to the time for making any submissions of the data before it is submitted under subdivision 8 or 9.

Subd. 7. [PERMANENT AND TEMPORARY ABANDONMENT SEALING PROCEDURES.] Permanent and temporary abandonment sealing of exploratory borings shall be accomplished pursuant according to rules adopted in accordance with under this chapter.

Subd. 8. [ABANDONMENT SEALING REPORT.] Within 30 days of permanent or temporary abandonment sealing of an exploratory boring, the explorer shall submit on forms provided by the commissioner of health a report to the commissioner of health and the commissioner of natural resources a report to. The report must be on forms provided by the commissioner of health and must include:

- (a) The location of each drill hole at as large a scale as possible, which is normally prepared as part of the explorer's record;
- (b) The type and thickness of overburden and rock encountered;
- (c) Identification of water bearing formations encountered;
- (d) Identification of hydrologic conditions encountered;
- (e) Method of abandonment sealing used;
- (f) Methods of construction and drilling used;
- (g) Average scintillometer reading of waste drill cuttings prior to before backfilling of the recirculation pits.

Subd. 9. [SUBMISSION OF DATA FROM EXPLORATORY BOR-

INGS.] Data obtained from exploratory borings shall be submitted by the explorer to the commissioner of natural resources as follows:

(a) Upon application for a state permit required for activities relating to mineral deposit evaluation, the explorer shall submit to the commissioner of natural resources data relevant to the proposal under consideration. The explorer may identify portions of the data ~~which~~ that, if released, would impair the competitive position of the explorer submitting the data. Data so identified shall be considered to be not public data. If requested to disclose the data, the commissioner shall mail notice of the request to the explorer and determine whether release of the data would impair the competitive position of the explorer submitting the data. If the commissioner determines that release of the data would impair the competitive position of the explorer submitting the data, the commissioner shall not release the data to any person other than parties to the proceedings relating to the permit under consideration. Parties to the proceedings shall maintain the confidentiality of data. Further, data ~~which are~~ classified as not public shall not be released by the commissioner until 30 days after mailed notice to the explorer of the commissioner's intention to do so. ~~Under no circumstances shall~~ The commissioner shall not release data to any person engaged in exploration, mining, milling, or related industry pertaining to any mineral. If the commissioner determines to release data, the explorer may demand a contested case hearing on the commissioner's determination or may withdraw the permit application and the data shall not be released. Any person aggrieved by the decision of the commissioner may appeal the decision ~~in accordance with~~ according to chapter 14.

(b) Upon application for a state permit required for mine development, the explorer shall submit to the commissioner of natural resources data relevant to the proposal under consideration. This data shall be considered public data and persons submitting the data shall not be subject to civil or criminal liability for its use by others.

(c) Within six months after termination by the explorer of its lease or any other type of exploration agreement on a property all data shall be submitted. The data shall be considered public data and persons submitting the data shall not be subject to civil or criminal liability for its use by others. Data submitted to the commissioner of natural resources ~~prior to before~~ May 1, 1980 need not be submitted under this section. The commissioner of natural resources shall designate which samples shall be submitted, and shall specify the ~~location to which~~ where the sample shall be delivered. ~~In the event that~~ If the explorer requires certain samples in their entirety, the commissioner of natural resources may waive the requirement for a one-fourth portion of the samples. Samples submitted become property of the state.

(d) As used in this subdivision, "mineral deposit evaluation"

means examining an area to determine the quality and quantity of minerals, excluding exploratory boring but including obtaining a bulk sample, by such means as excavating, trenching, constructing shafts, ramps, tunnels, pits and producing refuse and other associated activities. "Mineral deposit evaluation" shall does not include activities intended, by themselves, for commercial exploitation of the ore body. "Mine development" means those activities undertaken after mineral deposit evaluation for commercial exploitation of the ore body.

Sec. 13. Minnesota Statutes 1988, section 156A.075, is amended to read:

156A.075 [LOCAL CONTROL OF EXPLORERS ALLOWED.]

Nothing contained in Laws 1980, chapter 535 shall be construed as limiting chapter 156A limits the lawful authority of local units of government to prohibit mineral exploration within their boundaries, require permits from explorers, or impose reasonable requirements and fees upon explorers, consistent with the provisions of Laws 1980, chapter 535 sections 156A.01 to 156A.09, other state laws, and rules promulgated thereunder adopted under those laws.

Sec. 14. Minnesota Statutes 1988, section 156A.08, is amended to read:

156A.08 [PENALTIES.]

Subdivision 1. [VIOLATIONS ARE GROSS MISDEMEANORS.] Any person who shall A person is guilty of a gross misdemeanor if the person: (1) willfully violate violates any lawful rule or order of the commissioner, or who shall engage; (2) engages in the business of drilling or making water wells, sealing wells, installing pumps or pumping equipment, or excavating holes for elevator shafts or hydraulic cylinders without first having obtained a license as required in sections 156A.01 to 156A.08 required, or who shall engage 156A.09; (3) engages in the business of exploratory boring without either being licensed in accordance with the provisions of under this chapter, or being registered as a professional engineer or certified as a professional geologist; or who shall violate (4) violates any provision of sections 156A.01 to 156A.08, shall be guilty of a gross misdemeanor 156A.09. Any A violation of sections 156A.01 to 156A.08 156A.09 shall be prosecuted by the county attorney in the county in which the said violation occurred or is occurring, and. The trial thereof shall be held in that county.

Subd. 2. [DENIAL OF RENEWAL.] The commissioner may deny an application for renewal of a license or registration if the applicant has violated any provision of sections 156A.01 to 156A.09 or rules adopted under those sections. The following are sufficient grounds to refuse renewal:

(1) failure to submit a well report, well sealing report, or report on excavation of holes to install elevator shafts or hydraulic cylinders; or

(2) failure to obtain a well permit or a permit to excavate a hole to install an elevator shaft or a hydraulic cylinder before construction.

Subd. 3. [SUSPENSION, REVOCATION OF LICENSE OR REGISTRATION.] A license or registration issued under sections 156A.01 to 156A.09 may be suspended or revoked upon finding that the licensee or person registered has violated provisions of sections 156A.01 to 156A.09 or the rules and regulations adopted under sections 156A.01 to 156A.09 that apply to the particular license or registration. Proceedings by the commissioner of health under this section and review of the proceedings shall be according to the administrative procedure act.

Subd. 4. [HEARING.] The commissioner may, after providing a person with reasonable notice and a hearing, suspend or revoke the license or registration of the person upon finding that the person has violated requirements of this chapter or rules adopted under this chapter that apply to the person's license or registration. Proceedings by the commissioner of health according to this section and review shall be according to chapter 14.

Subd. 5. [ADMINISTRATIVE PENALTIES.] The commissioner may seek to remedy violations of this chapter or the commissioner's orders by imposing administrative penalties. The penalties may be appealed within ten days of the order in a contested case hearing under chapter 14.

(a) A well contractor or limited well contractor who seals a well, a monitoring well contractor who seals a monitoring well, or an elevator shaft contractor who seals a hole that was used for an elevator shaft in a manner that does not comply with the water well construction code, shall be assessed \$500.

(b) A well contractor or monitoring well contractor who fails to comply with the rules in the water well construction code relating to location of wells in relation to potential sources of contamination, grouting, materials, or construction techniques shall be assessed \$500.

(c) A well contractor or monitoring well contractor shall be assessed \$250 if the contractor: (1) constructs a well without an approved plan review when a plan review is required; (2) constructs a well without a permit; (3) fails to register a drilling rig or pump rig and fails to display the state decal and the registration number on the machine; or (4) fails to comply with the rules in the water well construction code relating to disinfection of water wells and submission of well construction or well sealing logs and water samples.

(d) A person who fails to disclose or who falsifies information about the status and location of wells on property before signing an agreement of sale or transfer of the property, or on a well certificate shall be assessed \$250 unless the seller or transferor can show that reasonable steps were taken to determine that no unreported wells exist on the property. Steps include examination of historical and land ownership records.

(e) A person who employs a well contractor on the person's property and fails to obtain a permit for construction of the well, or who fails to have a well sealed in accordance with the rules, shall be assessed \$250.

Sec. 15. [156A.09] [DUTIES AND RESPONSIBILITIES OF LOCAL UNITS OF GOVERNMENT.]

Subdivision 1. [DELEGATED AUTHORITY.] In conjunction with section 145A.07, subdivision 1, the commissioner of health may enter into an agreement with any board of health to delegate all or part of the inspection, reporting, and enforcement duties authorized under provisions of chapter 156A and the Minnesota water well code pertaining to the permitting, construction, repair, and sealing of water wells and holes excavated to install elevator shafts and hydraulic cylinders for elevators.

Subd. 2. [UNSEALED WELLS MAY BE DECLARED PUBLIC HEALTH NUISANCES.] A county may abate as a public health nuisance any well described in section 156A.05, subdivision 4, in the manner prescribed in section 145A.04, subdivision 8.

Subd. 3. [IMPOUNDING OF EQUIPMENT.] Upon notice from the commissioner of health, local law enforcement authorities shall impound the equipment of any person who has constructed, repaired, or sealed wells or installed pumps or pumping equipment or excavated holes for installing elevator shafts or hydraulic cylinders without a license or registration as required under this chapter. The equipment shall remain in the custody of the local law enforcement office until a final court order is issued.

Sec. 16. Minnesota Statutes 1988, section 326.37, is amended to read:

326.37 [PLUMBERS; SUPERVISION BY STATE COMMISSIONER OF HEALTH; RULES; VIOLATION; PENALTY.]

Subdivision 1. [MINIMUM STANDARDS.] The state commissioner of health may, by rule, prescribe minimum standards which shall be uniform, and which standards shall thereafter be effective for all new plumbing installations, including additions, extensions, alterations, and replacements connected with any water or sewage

disposal system owned or operated by or for any municipality, institution, factory, office building, hotel, apartment building, or any other place of business regardless of location or the population of the city or town in which located. Violation of the rules shall be a misdemeanor.

Subd. 2. [STANDARDS FOR CAPACITY.] By January 1, 1991, all new and replacement floor-mounted water closets may not have a flush volume of more than 1.6 gallons. The water closets must meet the standards of the commissioner and the American National Standards Institute.

Subd. 3. [ADMINISTRATION.] The commissioner shall administer the provisions of sections 326.37 to 326.45 and for such purposes may employ plumbing inspectors and other assistants.

Sec. 17. [REPEALER.]

Minnesota Statutes 1988, sections 156A.02, subdivision 3; 156A.031; 156A.04; 156A.07; 156A.10; and 156A.11, are repealed.

## ARTICLE 6

### EDUCATION; RESEARCH; MONITORING; AND INFORMATION MANAGEMENT

Section 1. Minnesota Statutes 1988, section 116E.02, subdivision 1, is amended to read:

Subdivision 1. [MEMBERSHIP; TERMS.] A state environmental education board, designated as the environmental education board, is hereby created. Regional environmental education councils, subordinate to the environmental education board and designated as regional environmental education councils are hereby created to represent the regions of the state designated by the governor pursuant to Minnesota Statutes 1971, section 462.385. The state board shall consist of three members appointed by the commissioner of natural resources and three members appointed by the commissioner of education, one member appointed by the director of the Minnesota extension service and one member from each of the regional councils. Each regional council shall elect one member to serve on the state board. Regional councils shall consist of 12 members, appointed by the chair of the state board with approval of the state board, with at least one person representing each of the following groups: (a) public school systems having grade levels kindergarten through 12, inclusive; (b) post-secondary educational institutions; (c) regional economic development commissions, where established; (d) voluntary organizations; (e) business, industry and agriculture; (f) labor organizations; and (g) elected local government officers. The term of a member of a regional council shall begin on

July 1 and shall extend for a four-year term and until a successor is duly appointed and qualifies. A vacancy in the office of a member of any regional council shall be filled by the appointing authority, for the unexpired term.

The regional environmental education council corresponding to the metropolitan area regional development commission as designated by the governor pursuant to section 462.385 shall consist of one member from each of the five task forces hereafter created and seven public members. One task force consisting of seven members shall be appointed by the chair of the state board with the approval of the board to represent each of the following five geographic areas: the city of Minneapolis; the remainder of Hennepin county; Carver, Scott and Dakota counties; Ramsey county; and Anoka and Washington counties. Each task force shall select one of its members to serve on the metropolitan regional environmental education council. Members of the task forces shall be compensated and shall have terms similar to those of the regional environmental education councils.

Sec. 2. Minnesota Statutes 1988, section 116E.03, subdivision 9, is amended to read:

Subd. 9. [PRIVATE GRANT AND FEDERAL FUNDS.] The chief administrative officer of the state board is the state agent to apply for, receive, and disburse state, private, grant and federal grant funds made available to the state by private organizations or federal law or rules and regulations promulgated thereunder for any purpose related to the powers and duties of the state board or the regional councils. The chief administrative officer shall comply with any and all requirements of such private organizations or federal law or such rules and regulations promulgated thereunder to enable the funds to be applied for, received, and disbursed. All such moneys received by the chief administrative officer of the state board shall be deposited in the state treasury and are hereby annually appropriated to the chief administrative officer for the purposes for which they are received. None of such moneys in the state treasury shall cancel and they shall be available for expenditure in accordance with the requirements of federal law or the terms of such private grants. No application for federal funds or private grants under this subdivision shall be submitted to federal authorities or private organizations for approval unless the proposed budget for the expenditure of such funds is approved by the governor and reported to the standing committee on finance of the senate and the standing committee on appropriations of the house of representatives.

Sec. 3. [116E.05] [WATER INFORMATION COMMITTEE ESTABLISHED.]

Subdivision 1. [WATER RESOURCES INFORMATION AND EDUCATION COMMITTEE.] The environmental education board

shall establish a water resources information and education committee. Members of the committee shall serve without compensation, but each citizen member of the committee may be reimbursed for actual and necessary expenses incurred in the performance of that member's duties. The committee shall report to the environmental education board.

Subd. 2. [DUTIES.] The committee shall:

(1) identify water resources information and education needs, priorities, and goals and prepare an implementation plan to guide state activities relating to water resources information and education;

(2) coordinate the development and evaluation of water information and education materials and resources;

(3) coordinate the dissemination of water information and education through existing delivery systems;

(4) prepare an interdisciplinary program of instruction on water education for teachers and students in kindergarten through grade 12; and

(5) prepare an annual report on program results.

The committee shall report to the environmental education board on its progress and recommendations under this subdivision. The board shall have final approval over all activities and recommendations of the committee.

Subd. 3. [COMMITTEE MEMBERSHIP.] The water information and education committee shall include state agency personnel and private citizens with education and information expertise, including public representatives from the department of natural resources, pollution control agency, Minnesota extension service, local governments involved in comprehensive local water planning, environmental education board, department of education, department of agriculture, environmental quality board, metropolitan council, department of health, board of water and soil resources, soil conservation service, educational institutions, and other public agencies with responsibility for water or public education.

The environmental education board shall appoint and set the terms for the citizen committee members.

**Sec. 4. [116E.06] [CONSISTENCY OF STATE INFORMATION ACTIVITIES.]**

State agency information and education activities must be consistent with the implementation plan required under section 3.

Sec. 5. Minnesota Statutes 1988, section 116C.40, is amended by adding a subdivision to read:

Subd. 4. [COMMITTEE.] "Committee" means the water research coordinating committee established in section 3.

Sec. 6. Minnesota Statutes 1988, section 116C.40, is amended by adding a subdivision to read:

Subd. 5. [WATER RESEARCH.] "Water research" means a scientific investigation or inquiry into the occurrence, properties, or conditions of groundwater and surface water resources, the impacts of existing and new practices on the resource, and any other activities that contribute to the understanding of water and the impact of human activities on water resources.

Sec. 7. Minnesota Statutes 1988, section 116C.41, subdivision 1, is amended to read:

Subdivision 1. [WATER PLANNING.] The board shall:

(1) coordinate public water resource management and regulation activities among the state agencies having jurisdiction in the area;

(2) initiate, coordinate, and continue to develop comprehensive long-range water resources planning in furtherance of the plan adopted by the water planning board entitled "A Framework for a Water and Related Land Resources Strategy for Minnesota, 1979";

(3) coordinate water planning activities of local, regional, and federal bodies with state water planning and integrate these plans with state strategies; and

(4) coordinate development of state water policy recommendations and priorities, and recommend a program for funding identified needs, including priorities for implementing the state water resources monitoring plan under clause (5);

(5) develop a plan for monitoring the state's water resources in cooperation with state agencies and local units of government participating in the monitoring of water resources and in the development of comprehensive local water plans;

(6) administer federal water resources planning with multiagency interests; and

(7) establish minimum data compatibility standards governing the collection and automation of water resource and related data that has common value for natural resource planning.

Sec. 8. [116C.42] [WATER RESEARCH COORDINATING COMMITTEE.]

Subdivision 1. [ESTABLISHMENT OF WATER RESEARCH COORDINATING COMMITTEE.] The environmental quality board shall establish and administer a committee to identify and recommend priorities for water research. The committee shall include representatives from the department of agriculture, board of water and soil resources, local governments involved in comprehensive water planning, department of health, department of natural resources, pollution control agency, United States Department of Agriculture, state planning agency, United States Geological Survey, the state universities, and the University of Minnesota.

Subd. 2. [NEEDS EVALUATION.] The water research coordinating committee shall evaluate and report to the board on water research needs and recommend priorities for addressing these needs. The committee shall also identify the results of existing water research that may affect the administration of state and local programs. The committee shall report its findings to the environmental quality board by May 1 of each even-numbered year. The board shall report to the governor and legislature, including the Minnesota future resources commission, the legislative commission on water, and other appropriate bodies by November 15 of each even-numbered year. The committee shall advise the board on developing the report.

## ARTICLE 7

### LOCAL WATER RESOURCES PROTECTION AND MANAGEMENT

Section 1. [105.486] [SHORELAND GRANTS.]

The commissioner of natural resources may make grants to local governments:

(1) to administer, monitor and enforce state approved shoreland management ordinances;

(2) to adopt shoreland management ordinances consistent with statewide standards;

(3) to develop comprehensive lake by lake or river shoreland management strategies that provide a unique plan to guide activities on and adjacent to a lake or river; and

(4) to implement elements of a comprehensive lake or river management strategy.

## Sec. 2. [105.487] [ACTION ON GRANT APPLICATIONS.]

Upon receipt of a request for a grant the commissioner of natural resources must confer with the local government requesting the grant and may make a grant based on the following considerations:

(1) the number and classification of lakes and rivers in the jurisdiction of the local government;

(2) the extent of current shoreland development;

(3) the development trends for the lakes and rivers;

(4) the miles of lake and river shoreline;

(5) whether the shoreland management ordinance or regulation adopted by the local government meets the minimum standards established by the commissioner;

(6) the degree and effectiveness of administration, enforcement and monitoring of the existing shoreland ordinances;

(7) the degree to which the grant request is consistent with local water plans develop under Minnesota Statutes chapter 110B, 112, and 473.875 and 473.883;

(8) the ability of the local government to finance the program or project; and

(9) the degree to which the program considers a comprehensive approach to lake or river management including land use, recreation, water levels, surface water use, fish, wildlife, and water quality that may be secondary to the other elements.

## Sec. 3. [105.488] [LIMITATIONS.]

(a) The maximum annual grant to local government for purposes of section 1, clauses (1) and (2), may not exceed the local contribution to the shoreland management activity.

(b) Any federal program aid for shoreland management shall serve to reduce the state and local contribution to the activity.

Sec. 4. Minnesota Statutes 1988, section 110B.35, subdivision 3, is amended to read:

Subd. 3. [EX OFFICIO NONVOTING MEMBERS.] The following agencies shall each provide one nonvoting member to the board:

- (1) department of agriculture;
- (2) department of health;
- (3) department of natural resources; and
- (4) pollution control agency; and
- (5) the University of Minnesota.

Sec. 5. [110C.01] [SHORT TITLE.]

Sections 5 to 10 may be cited as the "local water resources protection and management program."

Sec. 6. [110C.02] [PURPOSE.]

The purpose of the local water resources protection and management program is to provide state financial and technical assistance to local units of government for local programs to protect and manage water resources within the framework provided by approved comprehensive local water plans.

Sec. 7. [110C.03] [DEFINITIONS.]

Subdivision 1. [SCOPE.] For the purposes of sections 5 to 10, the terms defined in this section have the meanings given them.

Subd. 2. [BOARD.] "Board" means the board of water and soil resources.

Subd. 3. [LOCAL UNIT OF GOVERNMENT.] "Local unit of government" means a statutory or home rule charter city, town, county, or soil and water conservation district, watershed district, an organization formed for the joint exercise of powers under section 471.59, a local health board, or other special purpose district or authority with local jurisdiction in water and related land resources management.

Subd. 4. [COMPREHENSIVE LOCAL WATER PLAN.] "Comprehensive local water plan" means a county water plan authorized under section 110B.04, a watershed management plan required under section 473.878, an overall plan required under section 112.46, or a county groundwater plan authorized under section 473.8785.

Sec. 8. [110C.04] [COMPREHENSIVE LOCAL WATER PLANS HAVE PRIORITY FOR FINANCIAL ASSISTANCE.]

State agencies must give priority to local requests that are part of, or responsive to, a comprehensive local water plan when administering programs for water-related financial and technical assistance.

**Sec. 9. [110C.05] [LOCAL WATER RESOURCES PROTECTION AND MANAGEMENT GRANTS.]**

**Subdivision 1. [ESTABLISHMENT, FINANCIAL ASSISTANCE TO COUNTIES.]** A local water resources protection and management grants program is established. The board shall provide financial assistance to counties for cooperative local government activities that protect and improve water quality or quantity. These activities may include, but are not limited to, planning, official controls, and other activities to implement comprehensive local water plans.

**Subd. 2. [COUNTY SPONSORSHIP.]** Funding requests must be submitted to the board by a county. A county must coordinate and submit requests on behalf of other units of government within its jurisdiction. A county may contract with other appropriate local units of government to implement programs conducted under this section. An explanation of the program responsibilities proposed to be contracted with other local units of government must accompany grant requests. A county that contracts with other local units of government is responsible for ensuring that state funds are properly expended and for providing an annual report to the board describing expenditures of funds and program accomplishments.

**Subd. 3. [FINANCIAL ASSISTANCE.]** Grants may be used to employ persons and to obtain and use information necessary to implement the following activities:

(1) develop comprehensive local water plans under sections 110B.04 and 473.8785 which have not received state funding for water resources planning as provided for in Laws 1987, chapter 404, section 30, subdivision 5, clause (a);

(2) implement water resources programs identified as priorities in comprehensive local water plans; or

(3) revise shoreland zoning ordinances prior to July 1, 1991.

**Subd. 4. [LIMITATIONS.]** Grants provided to carry out mandated or delegated state programs under this section shall be reviewed by the agency having statutory program authority to assure compliance with minimum state standards. At the request of the agency commissioner, the board shall revoke that portion of the grant used to support a noncompliant program.

Grants provided for the purpose of developing comprehensive local water plans shall not be awarded for greater than a two-year time period.

Subd. 5. [RULES.] The board shall adopt rules that:

(a) establish performance criteria for grant administration for local implementation of state delegated or mandated programs that recognize regional variations in program needs and priorities;

(b) recognize the unique nature of state delegated or mandated programs;

(c) specify that program activities contracted by a county to another local unit of government are eligible for funding;

(d) require that grants from the board shall not exceed the amount matched by participating local units of government; and

(e) specify a process for the board to establish a base level grant amount that all participating counties may be eligible to receive.

Subd. 6. [ELIGIBILITY.] A county requesting funds must have adopted a comprehensive local water plan unless the request is made under subdivision 3, clause (1) or (3).

Subd. 7. [PRIORITIES.] The board must consider requests for funding according to the following:

(1) completing comprehensive local water plans under sections 110B.04 and 473.8785;

(2) adoption, administration, and enforcement of official controls;

(3) indicate the participation of several local units of government, including multicounty efforts;

(4) complement goals of federal, state, and local units of government; and

(5) demonstrate long-term commitments to effective water protection and management programs.

Subd. 8. [COORDINATED REVIEW OF COUNTY WATER RESOURCES PROTECTION AND MANAGEMENT PROGRAM.] (a) The board shall consult with appropriate agencies to evaluate grant requests and coordinate project activities with other state, federal, and local resource management projects.

(b) Grants specified for shoreland management shall be allocated according to priorities established by the department of natural resources.

Sec. 10. [110C.06] [WELL SEALING GRANTS.]

Subdivision 1. [POLICY.] The board shall make grants to counties to seal wells. The board may allocate funds to counties to be used to share the cost of sealing priority wells. The county shall use the state funds to pay up to 75 percent, but not to exceed \$2,000 per well, of the cost of sealing priority wells.

Subd. 2. [REPORT.] The board in consultation with the commissioner of health shall make annual reports to the legislature on the status of expenditures and well sealings.

Subd. 3. [SUNSET.] The grant program established under this section shall not continue beyond June 30, 1995. Grants provided between July 1, 1989 and June 30, 1995, are contingent upon biennial appropriation of funds.

Subd. 4. [ELIGIBILITY.] All wells proposed for sealing with grants by the board under this section must be wells identified as part of the priority action in an approved comprehensive local water plan and are wells that qualify for sealing under criteria established by the board.

Subd. 5. [APPLICATION.] (a) Counties shall complete and submit applications for well sealing grants on forms prescribed by the board.

(b) In its application, the county shall provide evidence that it has consulted the local community health service boards, soil and water conservation districts, and other appropriate local units of government or organizations in preparing the application.

Subd. 6. [BOARD DUTIES.] (a) The board, in selecting counties for participation, shall consult with the commissioners of natural resources, pollution control, and health, and the director of the Minnesota geological survey, and must consider appropriate criteria including the following:

- (1) diversity of well construction;
- (2) diversity of geologic conditions;
- (3) current use of affected aquifers;
- (4) diversity of land use; and

(5) aquifer susceptibility to contamination by unsealed wells.

(b) The board and the commissioner of health shall establish priorities for sealing wells based upon the following criteria:

(1) well construction, depth, and condition;

(2) importance of aquifer as public and private water supply source;

(3) proximity to known or potential point or nonpoint contamination sources;

(4) current contamination of the well or aquifer;

(5) susceptibility of aquifer to contamination by unsealed wells;

(6) limited availability of alternative sources of drinking water;

(7) potential for use of the well for monitoring groundwater;

(8) anticipated changes in land or water use;

(9) unique conditions such as construction, rehabilitation, or demolition areas; and

(10) danger to humans or animals of falling into the well.

Subd. 7. [COUNTY DUTIES AND RESPONSIBILITIES.] (a) A county may contract for the administration of the well sealing program with another local unit of government.

(b) A county, or contracted local unit of government, shall contract with landowners to share in the cost of sealing priority wells in accordance with subdivision 6. The contract shall specify that:

(1) sealing must be done in accordance with chapter 156A and the commissioner of health rules relating to sealing of wells;

(2) that payment shall be made to the landowner, upon completion of sealing of the well by a contractor licensed in accordance with chapter 156A; and

(3) that a record of well sealing shall be filed along with a copy of the water well record with the commissioner of health.

(c) The county shall make an annual report to the board, by or before February 15 of each year, on the status of the well sealing

grant program including the number and location of wells sealed and the amount spent on each.

(d) The county must consult with local health boards, soil and water conservation districts, planning and zoning departments, and other appropriate organizations during program implementation.

(e) To encourage landowner participation in the program, the county shall publicize in newspapers of general circulation, information regarding availability of state funds to share the cost of sealing wells, may conduct appropriate well sealing workshops and demonstrations, and invite the public to report to the county on the existence of wells that need to be sealed.

Subd. 8. [LANDOWNER RIGHTS AND RESPONSIBILITIES.] The owner shall file the record of well sealing with the county recorder or register of deeds where the sealed well is located.

Sec. 11. Minnesota Statutes 1988, section 115.093, subdivision 5, is amended to read:

Subd. 5. [LOCAL UNIT OF GOVERNMENT.] "Local unit of government" means a statutory or home rule charter city, town, county, soil and water conservation district, watershed district, an organization formed for the joint exercise of powers under section 471.59, an Indian tribe or an authorized Indian tribal organization, and any other special purpose district or authority exercising authority in water and related land resources management at the local level.

## ARTICLE 8

### WATER APPROPRIATION PRIORITIES

Section 1. [105.406] [ONCE-THROUGH SYSTEMS PROHIBITED.]

After January 1, 1992, it is unlawful for any person, firm, or corporation, including the state, or any of its agencies or political subdivisions, or the University of Minnesota, to appropriate or use any groundwater in the state in a once-through comfort cooling or heating system that draws a continuous stream of water to remove heat for cooling, heating, or refrigeration purposes.

Sec. 2. Minnesota Statutes 1988, section 105.41, subdivision 1a, is amended to read:

Subd. 1a. [WATER ALLOCATION RULES, PRIORITIES.] The

commissioner shall submit to the legislature by January 1, 1975, for its approval, proposed adopt rules in the manner provided in chapter 14, governing the allocation of waters among potential water users. For the purposes of this section, "consumption" shall mean water withdrawn from a supply which is lost for immediate further use in the area. These rules must be based on the following priorities for the consumptive appropriation and use of water:

First priority: domestic water supply, excluding industrial and commercial uses of municipal water supply, and use for power production that meets the contingency planning provisions of section 105.417, subdivision 5.

Second priority: any use of water that involves consumption of less than 10,000 gallons of water a day. In this section "consumption" means water withdrawn from a supply that is lost for immediate further use in the area.

Third priority: agricultural irrigation, involving consumption in excess of 10,000 gallons a day, and processing of agricultural products.

Fourth priority: power production involving consumption in excess of 10,000 gallons a day in excess of the use provided for in the contingency plan developed pursuant to section 105.417, subdivision 5.

Fifth priority: other uses, involving consumption in excess of 10,000 gallons a day.

Appropriation and use of surface water from streams during periods of flood flows and high water levels must be encouraged subject to consideration of the purposes for use, quantities to be used, and the number of persons appropriating water.

Appropriation and use of surface water from lakes of less than 500 acres in surface area must be discouraged.

The treatment and reuse of water from nonconsumptive uses shall be encouraged.

Diversions of water from the state for use in other states or regions of the United States or Canada must be discouraged.

No permit may be issued under this section unless it is consistent with state, regional, and local water and related land resources management plans, if regional and local plans are consistent with statewide plans. The commissioner must not modify or restrict the amount of appropriation from a groundwater source authorized in a permit issued under section 105.44, subdivision 8, between May 1

and October 1 of any year, unless the commissioner determines the authorized amount of appropriation endangers any domestic water supply.

Sec. 3. Minnesota Statutes 1988, section 105.418, is amended to read:

105.418 [CONSERVATION OF PUBLIC WATER SUPPLIES.]

During periods of critical water deficiency as determined by the governor and declared by order of the governor, public water supply authorities appropriating water shall adopt and enforce restrictions consistent with rules adopted by the commissioner of natural resources within their areas of jurisdiction. The restrictions must limit lawn sprinkling, car washing, golf course and park irrigation, and other nonessential uses and have appropriate penalties for failure to comply with the restrictions. The commissioner may adopt emergency rules according to sections 14.29 to 14.36 relating to matters covered by this section during the year 1977. Disregard of critical water deficiency orders, even though total appropriation remains less than that permitted, is grounds for immediate modification of any public water supply authority's appropriator's permit.

ARTICLE 9

LEGISLATIVE COMMISSION ON WATER

Section 1. [3.89] [ESTABLISHMENT OF LEGISLATIVE COMMISSION ON WATER.]

Subdivision 1. [CREATION; MEMBERSHIP; VACANCIES; COMMITTEES.] There is created in the legislative branch a joint legislative commission on water. The commission shall consist of 12 members appointed as follows:

(1) six members of the senate to be appointed by the subcommittee on committees and to serve until their successors are appointed;

(2) six members of the house to be appointed by the speaker of the house and to serve until their successors are appointed; and

(3) vacancies occurring on the commission shall not affect the authority of the remaining members of the commission to carry out the function thereof, and such vacancies shall be filled in the same manner as the original positions.

Subd. 2. [STAFF.] The commission is authorized, without regard to the civil service laws and regulations, to appoint and fix the

compensation of such additional legal and other personnel and consultants as may be necessary to enable it to carry out its functions, or to contract for services to supply necessary data, except that any state employees subject to the civil service laws and regulations who may be assigned to the commission shall retain civil service status without interruption or loss of status or privilege. The staff shall be hired and supervised for the commission by the executive director of the Minnesota future resources commission.

Subd. 3. [DATA FROM STATE AGENCIES; AVAILABILITY.] The commission may request information from any state officer or agency in order to assist it in carrying out its duties and such officer or agency is authorized and directed to promptly furnish any data required, subject to applicable requirements or restrictions imposed by chapter 13 and section 15.17.

Subd. 4. [POWERS AND DUTIES.] The commission shall review water policy reports and recommendations of the environmental quality board submitted under section 116C.41 and article 6, section 7, the biennial report of the board of water and soil resources required by section 110B.35, subdivision 7, paragraph (g), and such other water-related reports as may be required by the legislature. The commission may conduct public hearings and otherwise secure data and expressions of opinion. The commission shall make such recommendations as it deems proper to assist the legislature in formulating legislation. Any data or information compiled by the commission or its committees shall be made available to any standing or interim committee of the legislature upon request of the chair of the respective committee.

Subd. 5. [STUDY.] The commission shall study the state's water management needs for the year 2000 and report its findings to the governor and legislature by November 15, 1991.

Subd. 6. [EXPIRATION.] The provisions of this section shall expire on June 30, 1995.

## ARTICLE 10

### APPROPRIATION

#### Section 1. [APPROPRIATION.]

Subdivision 1. [STATE PLANNING AGENCY.] For the purposes of this act, \$ . . . . is appropriated from the general fund to the state planning agency and its complement is increased by . . . . people.

Subd. 2. [DEPARTMENT OF NATURAL RESOURCES.] For

purposes of this act, \$ . . . . . is appropriated from the general fund to the department of natural resources and its complement is increased by . . . . . people.

For purposes of article 7, section 1, funding must be allocated as follows:

- (a) adoption, administration and enforcement of shoreland ordinances \$ . . . . .
- (b) development and implementation of unique comprehensive lake or river management programs:
  - (1) General \$ . . . . .
  - (2) North Shore Management Board \$ . . . . .
  - (3) Lake Minnetonka Conservation District \$ . . . . .
  - (4) Mississippi Headwaters Board \$ . . . . .

Subd. 3. [DEPARTMENT OF AGRICULTURE.] For the purposes of this act, \$ . . . . . is appropriated from the general fund to the department of agriculture and its complement is increased by . . . . . people. Of this appropriation \$ . . . . . must be allocated to the University of Minnesota for a comprehensive evaluation of pesticide applicator health under article 3, section 37, and an education program to improve applicator health and safety practices. This portion of the appropriation is to be distributed by the university to the laboratory of environmental medicine and pathology and the department of family practices for a coordinated applicator study and education program. This appropriation is available for the biennium ending June 30, 1991.

Subd. 4. [MINNESOTA GEOLOGICAL SURVEY.] For the purposes of this act, \$ . . . . . is appropriated from the general fund to the Minnesota geological survey and its complement is increased by . . . . . people.

Subd. 5. [MINNESOTA EXTENSION SERVICE.] For the purposes of this act, \$ . . . . . is appropriated from the general fund to the University of Minnesota extension service and its complement is increased by . . . . . people.

Subd. 6. [MINNESOTA AGRICULTURAL EXPERIMENT STATION.] For the purposes of this act, \$ . . . . . is appropriated from the general fund to the Minnesota agricultural experiment station and its complement is increased by . . . . . people.

Subd. 7. [MINNESOTA ENVIRONMENTAL EDUCATION BOARD.] For the purposes of this act, \$ . . . . . is appropriated from the general fund to the Minnesota environmental education board and its complement is increased by . . . . . people.

Subd. 8. [POLLUTION CONTROL AGENCY.] For the purposes of this act, \$ . . . . is appropriated from the general fund to the pollution control agency and its complement is increased by . . . . people.

Subd. 9. [BOARD OF WATER AND SOIL RESOURCES.] For the purposes of this act, \$ . . . . is appropriated from the general fund to the board of water and soil resources and its complement is increased by . . . . people.

Subd. 10. [DEPARTMENT OF HEALTH.] For the purposes of this act, \$ . . . . is appropriated from the general fund to the department of health and its complement is increased by . . . . people."

Delete the title and insert:

"A bill for an act relating to groundwater; establishing best management practices and water resources protection requirements; regulating pollution limits; changing various requirements and procedures concerning fertilizer, soil amendments, and plant amendments; requiring a study of sustainable agriculture; changing certain pesticide laws; requiring a pesticide management plan; providing for responses to pesticide and fertilizer incidents; establishing a safe drinking water account; imposing an annual fee; reorganizing and revising laws on water wells, exploratory boring, and elevator shafts; establishing a water information committee; providing for local water resources protection and management; establishing water appropriation priorities; establishing a legislative commission on water; appropriating money; amending Minnesota Statutes 1988, sections 17.713; 17.714, subdivisions 1, 3, 6, and by adding a subdivision; 17.715, subdivisions 1, 2, 4, and by adding subdivisions; 17.7155; 17.716, subdivisions 1, 2, and 4; 17.717; 17.718; 17.719, subdivisions 1, 2, 3, 4, and by adding subdivisions; 17.72; 17.721, by adding a subdivision; 17.722; 17.723; 17.725, subdivision 2, and by adding subdivisions; 17.728, subdivision 1, and by adding subdivisions; 17.7285; 17.73, subdivisions 3 and 5; 18B.01, subdivisions 5, 12, 15, 19, 21, 23, 26, 30, and by adding subdivisions; 18B.03, by adding a subdivision; 18B.04; 18B.07, subdivisions 2, 3, 4, 5, 6, and 7; 18B.08, subdivisions 1, 3, and 4; 18B.15; 18B.17, subdivision 2; 18B.18; 18B.20, by adding a subdivision; 18B.21; 18B.26, subdivisions 1, 3, 5, and by adding a subdivision; 18B.31, subdivisions 3 and 5; 18B.32, subdivision 2; 18B.33, subdivisions 1, 3, and 7; 18B.34, subdivisions 1, 2, and 5; 18B.36; 18B.37, subdivisions 1, 2, 3, and 4; 105.41, subdivision 1a; 105.418; 110B.35, subdivision 3; 115.093, subdivision 5; 116C.40, by adding subdivisions; 116C.41, subdivision 1; 116E.02, subdivision 1; 116E.03, subdivision 9; 156A.01; 156A.02; 156A.03; 156A.05; 156A.06; 156A.071; 156A.075; 156A.08; and 326.37; proposing coding for new law as Minnesota Statutes, chapters 110C and 115D; proposing coding for new law in Minnesota Statutes, chapters 3; 17; 18B; 105; 115; 116C; 116E; 144; and 156A; repealing Minnesota

Statutes 1988, sections 17.714, subdivisions 4, 4a, and 4b; 17.715, subdivision 3; 17.721; 17.726; 17.727; 17.728, subdivisions 4 and 5; 17.729; 17.73, subdivision 5, paragraph (d); 18B.16; 18B.19; 18B.20, subdivision 6; 156A.02, subdivision 3; 156A.031; 156A.04; 156A.07; 156A.10; and 156A.11.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

McEachern from the Committee on Education to which was referred:

H. F. No. 548, A bill for an act relating to education; altering the responsibility for textbook and material costs under the post-secondary enrollment options act; amending Minnesota Statutes 1988, section 123.3514, subdivision 6.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 557, A bill for an act relating to retirement; police state aid; allowing counties and municipalities to use excess police state aid amounts for employee and retiree health insurance purposes; amending Minnesota Statutes 1988, section 69.031, subdivision 5.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 43A.316, subdivision 9, is amended to read:

Subd. 9. [INSURANCE TRUST FUND.] An insurance trust fund is established in the state treasury. The deposits consist of the premiums received from employers participating in the plan and transfers from the public employees insurance reserve holding account established by section 353.65, subdivision 7. All money in the fund is appropriated to the commissioner to pay insurance premiums, approved claims, refunds, administrative costs, and other related service costs. The commissioner shall reserve an amount of money to cover the estimated costs of claims incurred but unpaid. The state board of investment shall invest the money according to

section 11A.24. Investment income and losses attributable to the fund shall be credited to the fund.

Sec. 2. Minnesota Statutes 1988, section 69.031, subdivision 5, is amended to read:

Subd. 5. [DEPOSIT OF STATE AID.] (1) The municipal treasurer, on receiving the fire state aid, shall within 30 days after receipt transmit it to the treasurer of the duly incorporated firefighters' relief association if there is one organized and the association has filed a financial report with the municipality; but if there is no relief association organized, or if any association dissolve, be removed, or has heretofore dissolved, or has been removed as trustees of state aid, then the treasurer of the municipality shall keep the money in the municipal treasury as provided for in section 424A.08 and shall be disbursed only for the purposes and in the manner set forth in that section.

(2) The municipal treasurer, upon receipt of the police state aid, shall disburse the police state aid in the following manner:

(a) For a municipality in which a local police relief association exists and all peace officers are members of the association, the total state aid shall be transmitted to the treasurer of the relief association within 30 days of the date of receipt, and the treasurer of the relief association shall immediately deposit the total state aid in the special fund of the relief association;

(b) For a municipality in which police retirement coverage is provided by the public employees police and fire fund and all peace officers are members of the fund, the total state aid shall be applied toward the municipality's employer contribution to the public employees police and fire fund pursuant to section 353.65, subdivision 3, and any state aid in excess of the amount required to meet the employer's contribution pursuant to section 353.65, subdivision 3, shall also be ~~contributed to the public employees police and fire fund and credited in the manner to be specified by the board of trustees of the public employees retirement association deposited in the public employees insurance reserve holding account of the public employees retirement association;~~ or

(c) For a municipality in which both a police relief association exists and police retirement coverage is provided in part by the public employees police and fire fund, the municipality may elect at its option to transmit the total state aid to the treasurer of the relief association as provided in clause (a), to use the total state aid to apply toward the municipality's employer contribution to the public employees police and fire fund subject to all the provisions set forth in clause (b) except that all state aid in excess of the amount required to meet the employer's contribution pursuant to section 353.65, subdivision 3, must be transmitted to the relief association

if the relief association has an unfunded actuarial accrued liability, or to allot the total state aid proportionately to be transmitted to the police relief association as provided in this subdivision and to apply toward the municipality's employer contribution to the public employees police and fire fund subject to the provisions of clause (b) except that all state aid in excess of the amount required to meet the employer's contribution pursuant to section 353.65, subdivision 3, must be transmitted to the relief association if the relief association has an unfunded actuarial accrued liability on the basis of the respective number of active full-time peace officers, as defined in section 69.011, subdivision 1, clause (g).

(3) The county treasurer, upon receipt of the police state aid for the county, shall apply the total state aid toward the county's employer contribution to the public employees police and fire fund pursuant to section 353.65, subdivision 3, and any state aid in excess of the amount required to meet the employer's contribution pursuant to section 353.65, subdivision 3, shall also be contributed to the public employees police and fire fund and credited in the manner to be specified by the board of trustees of the public employees retirement association deposited in the public employees insurance reserve holding account of the public employees retirement association.

Sec. 3. Minnesota Statutes 1988, section 353.65, subdivision 1, is amended to read:

Subdivision 1. There is a special fund known as the "public employees police and fire fund." In that fund there shall be deposited employee contributions, employer contributions other than the excess contribution established by section 69.031, subdivision 5, paragraph (2), clauses (b) and (c), and paragraph (3) and other amounts authorized by law including all employee and employer contributions of members transferred. Within the public employees police and fire fund are accounts for each municipality known as the "local relief association consolidation accounts," which are governed by section 353A.09.

Sec. 4. Minnesota Statutes 1988, section 353.65, subdivision 6, is amended to read:

Subd. 6. All contributions other than the excess contribution established by section 69.031, subdivision 5, paragraph (2), clauses (b) and (c), and paragraph (3) shall be credited to the fund and all interest and other income of the fund shall be credited to said fund. The retirement fund shall be disbursed only for the purposes herein provided. The expenses of said fund and the annuities herein provided upon retirement shall be paid from said fund.

Sec. 5. Minnesota Statutes 1988, section 353.65, is amended by adding a subdivision to read:

Subd. 7. The public employees insurance reserve holding account is established in the public employees retirement association. Excess contributions established by section 69.031, subdivision 5, paragraph (2), clauses (b) and (c), and paragraph (3) must be deposited in the account. These contributions and all investment earnings associated with them must be regularly transferred to the insurance trust fund established by section 43A.316, subdivision 9."

Delete the title and insert:

"A bill for an act relating to retirement; providing additional resources for the public employees insurance plan; amending Minnesota Statutes 1988, sections 43A.316, subdivision 9; 69.031, subdivision 5; and 353.65, subdivisions 1 and 6, and by adding a subdivision."

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 564, A bill for an act relating to volunteers; providing benefits to certain volunteers injured or killed while performing public service; amending Minnesota Statutes 1988, sections 176.011, subdivision 9; and 176B.01, subdivision 2.

Reported the same back with the following amendments:

Page 5, delete lines 10 to 14 and insert "services as a first responder or as a member of a law enforcement assistance organization while acting under the supervision and"

Pages 5 and 6, delete section 2.

Amend the title as follows:

Page 1, line 4, delete "sections" and insert "section"

Page 1, line 5, delete everything after "9" and insert a period

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on Financial Institutions and Housing to which was referred:

H. F. No. 595, A bill for an act relating to housing; exempting relocated residential buildings from certain provisions of the state building code; amending Minnesota Statutes 1988, section 16B.61, subdivision 3.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 16B.61, subdivision 3, is amended to read:

Subd. 3. [SPECIAL REQUIREMENTS.] (a) [SPACE FOR COMMUTER VANS.] The code must require that any parking ramp or other parking facility constructed in accordance with the code include an appropriate number of spaces suitable for the parking of motor vehicles having a capacity of seven to 16 persons and which are principally used to provide prearranged commuter transportation of employees to or from their place of employment or to or from a transit stop authorized by a local transit authority.

(b) [SMOKE DETECTION DEVICES.] The code must require that all dwellings, lodging houses, apartment houses, and hotels as defined in section 299F.362 comply with the provisions of section 299F.362.

(c) [DOORS IN NURSING HOMES AND HOSPITALS.] The state building code may not require that each door entering a sleeping or patient's room from a corridor in a nursing home or hospital with an approved complete standard automatic fire extinguishing system be constructed or maintained as self-closing or automatically closing.

(d) [CHILD CARE FACILITIES IN CHURCHES.] A licensed day care center serving fewer than 30 preschool age persons and which is located in a below ground space in a church building is exempt from the state building code requirement for a ground level exit when the center has more than two stairways to the ground level and its exit.

(e) [FAMILY AND GROUP FAMILY DAY CARE.] The commissioner of administration shall establish a task force to determine occupancy standards specific and appropriate to family and group family day care homes and to examine hindrances to establishing day care facilities in rural Minnesota. The task force must include representatives from rural and urban building code inspectors, rural and urban fire code inspectors, rural and urban county day care licensing units, rural and urban family and group family day care

providers and consumers, child care advocacy groups, and the departments of administration, human services, and public safety.

By January 1, 1989, the commissioner of administration shall report the task force findings and recommendations to the appropriate legislative committees together with proposals for legislative action on the recommendations.

Until the legislature enacts legislation specifying appropriate standards, the definition of Group R-3 occupancies in the state building code applies to family and group family day care homes licensed by the department of human services under Minnesota Rules, chapter 9502.

(f) [MINED UNDERGROUND SPACE.] Nothing in the state building codes shall prevent cities from adopting rules governing the excavation, construction, reconstruction, alteration, and repair of mined underground space pursuant to sections 469.135 to 469.141, or of associated facilities in the space once the space has been created, provided the intent of the building code to establish reasonable safeguards for health, safety, welfare, comfort, and security is maintained.

(g) [ENCLOSED STAIRWAYS.] No provision of the code or any appendix chapter of the code may require stairways of existing multiple dwelling buildings of two stories or less to be enclosed.

(h) [DOUBLE CYLINDER DEAD BOLT LOCKS.] No provision of the code or appendix chapter of the code may prohibit double cylinder dead bolt locks in existing single-family homes, townhouses, and first floor duplexes used exclusively as a residential dwelling. Any recommendation or promotion of double cylinder dead bolt locks must include a warning about their potential fire danger and procedures to minimize the danger.

(i) [RELOCATED RESIDENTIAL BUILDINGS.] A residential building relocated within or into a political subdivision of the state need not comply with the state energy code or section 326.371 provided that, where available, an energy audit is conducted on the relocated building.

Sec. 2. Minnesota Statutes 1988, section 462.357, subdivision 1, is amended to read:

Subdivision 1. [AUTHORITY FOR ZONING.] For the purpose of promoting the public health, safety, morals and general welfare, a municipality may by ordinance regulate on the earth's surface, in the air space above the surface, and in subsurface areas, the location, height, width, bulk, type of foundation, number of stories, size of buildings and other structures, the percentage of lot which

may be occupied, the size of yards and other open spaces, the density and distribution of population, the uses of buildings and structures for trade, industry, residence, recreation, public activities, or other purposes, and the uses of land for trade, industry, residence, recreation, agriculture, forestry, soil conservation, water supply conservation, conservation of shorelands, as defined in section 105.485, access to direct sunlight for solar energy systems as defined in section 116J.06, flood control or other purposes, and may establish standards and procedures regulating such uses. No regulation may prohibit earth sheltered construction as defined in section 116J.06, subdivision 2, relocated residential buildings, or manufactured homes built in conformance with sections 327.31 to 327.35 that comply with all other zoning ordinances promulgated pursuant to this section. The regulations may divide the surface, above surface, and subsurface areas of the municipality into districts or zones of suitable numbers, shape and area. The regulations shall be uniform for each class or kind of buildings, structures or land and for each class or kind of use throughout such district, but the regulations in one district may differ from those in other districts. The ordinance embodying these regulations shall be known as the zoning ordinance and shall consist of text and maps. A city may by ordinance extend the application of its zoning regulations to unincorporated territory located within two miles of its limits in any direction, but not in a county or town which has adopted zoning regulations; provided that where two or more noncontiguous municipalities have boundaries less than four miles apart, each is authorized to control the zoning of land on its side of a line equidistant between the two noncontiguous municipalities unless a town or county in the affected area has adopted zoning regulations. Any city may thereafter enforce such regulations in the area to the same extent as if such property were situated within its corporate limits, until the county or town board adopts a comprehensive zoning regulation which includes the area.

Sec. 3. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment."

Amend the title as follows:

Page 1, line 5, delete "section" and insert "sections" and before the period insert "; and 462.357, subdivision 1"

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on Financial Institutions and Housing to which was referred:

H. F. No. 607, A bill for an act relating to economic development; establishing a referral system for small businesses; coordinating and marketing technical assistance in the state; requiring the department of trade and economic development to be the host agency for the small business development center program; requiring a study of technical assistance provision; establishing the capital access program; appropriating money; amending Minnesota Statutes 1988, sections 116J.58, subdivision 1; and 116J.68, subdivision 2, and by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 116J.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 631, A bill for an act relating to economic development; requiring a job impact statement of certain government units; providing prefeasibility study grants; requiring the employer who engages in a plant closing or mass layoff to pay community benefits, severance pay, and health benefits; establishing a community response committee; requiring repayment of certain financial assistance to businesses; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 268.

Reported the same back with the following amendments:

Page 6, lines 1 to 3, delete "initiate and coordinate efforts with employers, developers, service providers, and other appropriate parties to attempt to"

Page 6, lines 6 and 7, delete "initiate and coordinate efforts to attempt to provide the" and insert "secure those"

Page 6, line 19, delete "efforts to administer and deliver" and insert "administering and providing" and delete "The"

Page 6, delete lines 20 to 26

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Osthoff from the Committee on Financial Institutions and Housing to which was referred:

H. F. No. 635, A bill for an act relating to credit unions; clarifying requirements for credit unions to maintain reserve funds; allowing private insurance of member share and deposit accounts; amending Minnesota Statutes 1988, sections 52.17, subdivision 1; and 52.24, subdivisions 1 and 2.

Reported the same back with the following amendments:

Page 1, after line 7, insert:

"Section 1. Minnesota Statutes 1988, section 52.02, subdivision 1, is amended to read:

Subdivision 1. [AMENDMENTS BY MEMBERS.] To amend the certificate of organization or bylaws, proposed amendments shall be set forth as follows:

(1) if balloting by mail has not been authorized by the board of directors, then a statement of intent to amend the certificate of organization or bylaws identifying the proposed amendments shall be set forth in the notice of the meeting; or

(2) if balloting by mail has been authorized by the board of directors as either the exclusive means of voting or in conjunction with voting in person, a statement of intent to amend the certificate of organization or bylaws identifying the proposed amendments shall be set forth in a notice mailed to all members eligible to vote at least ~~ten~~ 30 days prior to the close of balloting by mail. Any amendments to the certificate of organization or bylaws shall be approved by two-thirds vote of the members actually voting, if the members actually voting constitute a quorum.

Sec. 2. Minnesota Statutes 1988, section 52.02, is amended by adding a subdivision to read:

Subd. 4. [NOTICE OF AND REQUEST FOR PROPOSED BYLAW AMENDMENTS.] The notice referred to in subdivision 1, clauses (1) and (2) must inform the member of the member's right to make a request for a written copy of a proposed bylaw amendment. Any member receiving notice under subdivision 1, clause (1) or (2) may request a written copy of the proposed bylaw amendment. This request must be made no later than ten days prior to the close of balloting by mail or the date set for the meeting. The credit union shall provide the member with a written copy of the proposed bylaw amendment upon receipt of a timely request. A copy of the proposed amendment shall be posted in the credit union for member review

30 days prior to the close of balloting by mail or the date of the meeting.

Renumber the sections in sequence

Amend the title as follows:

Page 1, line 2, after the semicolon insert "providing members with written notice regarding proposed bylaw amendments,"

Page 1, line 5, after "sections" insert "52.02, subdivision 1, and by adding a subdivision,"

With the recommendation that when so amended the bill pass.

The report was adopted.

Begin from the Committee on Labor-Management Relations to which was referred:

H. F. No. 648, A bill for an act relating to employment; providing training and employment for low-income seniors; creating a hospitality host older worker tourism promotion program; prescribing duties for the commissioner of the department of jobs and training; proposing coding for new law in Minnesota Statutes, chapter 268.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 678, A bill for an act relating to data privacy; classifying financial information submitted by applicants to licensing agencies as private; amending Minnesota Statutes 1988, section 13.41, subdivision 2.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 13.41, is amended by adding a subdivision to read:

Subd. 6. [FINANCIAL DATA ON LIQUOR LICENSE APPLICATIONS.] Financial data on individuals and private entities, including but not limited to tax returns, financial and bank statements,

loan documents, and credit reports, that are contained in applications for liquor licenses submitted to political subdivisions are private data and nonpublic data."

Delete the title and insert:

"A bill for an act relating to data privacy; classifying financial information submitted by applicants for liquor licenses to political subdivisions as private; amending Minnesota Statutes 1988, section 13.41, by adding a subdivision."

With the recommendation that when so amended the bill pass and be placed on the Consent Calendar.

The report was adopted.

Osthoff from the Committee on Financial Institutions and Housing to which was referred:

H. F. No. 692, A bill for an act relating to state government; state employees; permitting direct deposit of pay in credit unions and financial institutions; amending Minnesota Statutes 1988, section 16A.133, subdivision 1; repealing Minnesota Statutes 1988, section 16A.133, subdivision 3.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Osthoff from the Committee on Financial Institutions and Housing to which was referred:

H. F. No. 693, A bill for an act relating to animals; requiring landlords to allow elderly tenants to keep certain pets; proposing coding for new law in Minnesota Statutes, chapter 504.

Reported the same back with the following amendments:

Page 1, line 8, delete "up to two" and insert "one" and delete "animals" and insert "animal"

Page 1, line 11, delete "animals" and insert "animal"

Page 1, line 13, delete "animals" and insert "animal"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 700, A bill for an act relating to crimes; increasing penalties for certain crimes when committed because of the victim's race, color, religion, sex, sexual orientation, disability, or national origin; increasing penalties for using the mail or making telephone calls and falsely impersonating another for the purpose of harassing, abusing, or threatening another person; amending Minnesota Statutes 1988, sections 609.2231, by adding a subdivision; 609.595, subdivisions 2, 3, and by adding a subdivision; 609.605, by adding a subdivision; 609.746, by adding a subdivision; 609.79, by adding a subdivision; and 609.795.

Reported the same back with the following amendments:

Page 1, line 18, after "victim's" insert "or another's actual or perceived"

Page 1, line 20, after the comma insert "age,"

Page 1, line 23, delete everything after "Whoever"

Page 1, delete lines 24 to 29

Page 2, delete line 1

Page 2, line 2, delete "(2)"

Page 2, line 3, before the period insert "is guilty of a felony and may be sentenced to imprisonment for not more than one year and a day or to payment of a fine of not more than \$3,000, or both"

Page 2, line 9, after "another's" insert "actual or perceived"

Page 2, line 10, after the comma insert "age,"

Page 2, line 24, strike "SECOND" and insert "THIRD"

Page 2, line 34, after "another's" insert "actual or perceived"

Page 2, line 35, after the second comma insert "age,"

Page 3, line 22, after "owner's" insert "or another's actual or perceived"

Page 3, line 23, after the comma insert "age,"

Page 3, line 30, after "victim's" insert "or another's actual or perceived"

Page 3, line 31, after the second comma insert "age,"

Page 4, line 3, after "victim's" insert "or another's actual or perceived"

Page 4, line 5, after the comma insert "age,"

Page 4, line 30, after "victim's" insert "or another's actual or perceived"

Page 4, line 32, after the comma insert "age,"

Amend the title as follows:

Page 1, line 3, after "victim's" insert "or another's actual or perceived"

Page 1, line 4, after "disability," insert "age,"

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on Financial Institutions and Housing to which was referred:

H. F. No. 727, A bill for an act relating to housing; reducing property taxes on certain types of residential rental property; authorizing a tax levy for public housing; amending Minnesota Statutes 1988, section 273.13, subdivision 25; proposing coding for new law in Minnesota Statutes, chapter 462C.

Reported the same back with the following amendments:

Page 6, line 32, after the period insert "The tax under this section is only authorized for the development of public housing after the approval in a referendum election of a number of persons voting equal to at least the majority of the number of persons voting in the last general election."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Taxes.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 731, A bill for an act relating to data practices; providing for classification of law enforcement data on child abuse; amending Minnesota Statutes 1988, sections 13.82, by adding a subdivision; and 626.556, subdivisions 11 and 11c.

Reported the same back with the following amendments:

Page 1, line 11, delete everything after "by" and insert "the law enforcement agency or appropriate prosecutorial authority not to pursue a criminal case, any"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 761, A bill for an act relating to judgments; providing a reasonable exemption for employee benefits; amending Minnesota Statutes 1988, section 550.37, subdivision 24.

Reported the same back with the following amendments:

Page 1, delete lines 14 and 15, and insert "service:

(a) to the extent such plan or contract is an employee pension benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, as amended, and such plan or contract is qualified under sections 401(a), 403, 408, or 457 of the Internal Revenue Code of 1986, as amended; or

(b) to the extent of the debtor's aggregate interest under all such plans and contracts not to exceed in present value \$30,000, plus additional amounts under all such plans and contracts to the extent reasonably necessary for the support of the debtor and any dependent of the debtor.

Sec. 2. [EFFECTIVE DATE.]

Section 1 is effective the day following final enactment and is retroactive to April 12, 1988."

With the recommendation that when so amended the bill pass.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 786, A bill for an act relating to employment; requiring prevailing wages to be paid on certain railroad projects assisted with state money; amending Minnesota Statutes 1988, section 222.50, subdivision 5.

Reported the same back with the following amendments:

Page 2, delete lines 15 to 19, and insert:

“(e) To the extent not prohibited by federal law or regulation, require that when the railroad elects to contract for portions of the rehabilitation work or rail service improvement, the railroad must select a contractor who is experienced in rail rehabilitation work, and must require the contractor to:

(1) recruit any new workers from the area where the work is to be done; and

(2) pay workers under the contract wages that are equal to or greater than the wages the railroad pays its own workers for similar work, but not less than twice the state minimum wage that state-covered employers are required to pay under section 177.24, subdivision 1, paragraph (b).”

Amend the title as follows:

Page 1, line 2, delete everything after “requiring” and insert “the hiring of local workers and the payment of wages equal to those of railroad workers”

Page 1, line 3, delete “be paid”

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on Financial Institutions and Housing to which was referred:

H. F. No. 822, A bill for an act relating to financial institutions; permitting banks to perform clerical services at off-premises data

processing and storage centers; proposing coding for new law in Minnesota Statutes, chapter 48.

Reported the same back with the following amendments:

Page 1, after line 6, insert:

"Section 1. Minnesota Statutes 1988, section 11A.10, subdivision 2, is amended to read:

Subd. 2. [ESCHEATED PROPERTY.] The commissioner of finance shall report immediately to the state board all personal property other than money received by the state of Minnesota as escheated property. If the state board elects to sell escheated property, all money received from the sale shall be credited to the general fund of the state housing trust fund established under section 462A.201, subdivision 1."

Page 1, line 7, delete "Section 1." and insert "Sec. 2."

Page 1, after line 19, insert:

"Sec. 3. Minnesota Statutes 1988, section 94.16, is amended by adding a subdivision to read:

Subd. 4. [HOUSING TRUST FUND ACCOUNT.] The remainder of the proceeds from the sale of surplus land that has escheated to the state and is not subject to subdivision 3, shall be credited to the housing trust fund account established under section 462A.201, subdivision 1.

Sec. 4. Minnesota Statutes 1988, section 290.067, subdivision 4, is amended to read:

Subd. 4. [RIGHT TO FILE CLAIM.] The right to file a claim under this section shall be personal to the claimant and shall not survive death, but such right may be exercised on behalf of a claimant by the claimant's legal guardian or attorney-in-fact. When a claimant dies after having filed a timely claim the amount thereof shall be disbursed to another member of the household as determined by the commissioner of revenue. If the claimant was the only member of a household, the claim may be paid to the claimant's personal representative, but if neither is appointed and qualified within two years of the filing of the claim, the amount of the claim shall escheat to the state to be credited to the housing trust fund account established under section 462A.201, subdivision 1.

Sec. 5. Minnesota Statutes 1988, section 345.48, subdivision 1, is amended to read:

Subdivision 1. All funds received under sections 345.31 to 345.60, including the proceeds from the sale of abandoned property pursuant to section 345.47, shall forthwith be deposited by the commissioner in the general fund of the state housing trust fund account established under section 462A.201, subdivision 1. Before making the deposit the commissioner shall record the name and last known address of each person appearing from the holders' reports to be entitled to the abandoned property and of the name and last known address of each policyholder, insured person, or annuitant, and with respect to each policy or contract listed in the report of a life insurance corporation, its number, the name of the corporation, and the amount due. The record shall be available for public inspection at all reasonable business hours.

Sec. 6. Minnesota Statutes 1988, section 345.49, subdivision 2, is amended to read:

Subd. 2. [APPROPRIATION.] There is hereby appropriated to the persons entitled to a refund, from the fund or account in the state treasury to which the money was credited, an amount sufficient to make the refund and payment.

Sec. 7. Minnesota Statutes 1988, section 462A.201, subdivision 1, is amended to read:

Subdivision 1. [CREATION.] (a) The housing trust fund account is created as a separate account in the housing development fund.

(b) The housing trust fund account consists of:

- (1) money appropriated and transferred from other state funds;
- (2) interest accrued from real estate trust accounts as provided under section 82.24, subdivision 8;
- (3) gifts, grants, and donations received from the United States, private foundations, and other sources; ~~and~~
- (4) money made available from the sale of abandoned and escheated property; and
- (5) money made available to the agency for the purpose of the account from other sources.

Sec. 8. Minnesota Statutes 1988, section 525.161, is amended to read:

525.161 [NO SURVIVING SPOUSE OR KINDRED, NOTICES TO ATTORNEY GENERAL.]

When it appears from the petition or application for administration of the estate, or otherwise, in a proceeding in the court that the intestate left surviving no spouse or kindred, the court shall give notice of such fact and notice of all subsequent proceedings in such estate to the attorney general forthwith; and the attorney general shall protect the interests of the state during the course of administration. The residue which escheats to the state shall be transmitted to the attorney general. All moneys, stocks, bonds, notes, mortgages and other securities, and all other personal property so escheated shall then be given into the custody of the state treasurer, who shall notify the commissioner of finance thereof and immediately credit the moneys received to the general fund housing trust fund account established under section 462A.201, subdivision 1. The treasurer shall hold such stocks, bonds, notes, mortgages and other securities, and all other personal property, subject to such investment, sale or other disposition as the state board of investment may direct pursuant to section 11A.04, clause (9). The attorney general shall immediately report to the state executive council all real property received in the individual escheat, and any sale or disposition of such real estate shall be made in accordance with sections 94.09 to 94.16.

Sec. 9. Minnesota Statutes 1988, section 525.841, is amended to read:

525.841 [ESCHEAT RETURNED.]

In all such cases the commissioner of finance shall be furnished with a certified copy of the court's order assigning the escheated property to the persons entitled thereto, and upon notification of payment of the estate tax, the commissioner of finance shall draw a warrant on the state treasurer, or execute a proper conveyance to the persons designated in such order. In the event any escheated property has been sold pursuant to sections 11A.04, clause (9) and 11A.10, subdivision 2 or 94.09 to 94.16, then the warrant shall be for the appraised value as established during the administration of the decedent's estate. There is hereby annually appropriated from any moneys the fund or account in the state treasury to which the proceeds were originally credited, if not otherwise appropriated, an amount sufficient to make payment to all such designated persons. No interest shall be allowed on any amount paid to such persons."

Page 1, line 20, delete "2" and insert "10"

Page 1, line 21, delete "1" and insert "2"

Amend the title as follows:

Page 1, line 4, after the semicolon insert "amending Minnesota Statutes 1988, sections 11A.10, subdivision 2; 94.16, by adding a

subdivision; 290.067, subdivision 4; 345.48, subdivision 1; 345.49, subdivision 2; 462A.201, subdivision 1; 525.161; and 525.841.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 837, A bill for an act relating to crimes; prohibiting the concealing of criminal proceeds; prohibiting racketeering; providing civil and criminal penalties for engaging in narcotics and violent offenses as part of an enterprise; authorizing the dissolution of a corporate charter, revocation of a license, and injunctive relief to prevent criminal activity by an enterprise; authorizing fines of three times the profit gained through racketeering; authorizing criminal forfeiture; amending Minnesota Statutes 1988, section 541.07; proposing coding for new law in Minnesota Statutes, chapters 541 and 609.

Reported the same back with the following amendments:

Page 3, after line 15, insert:

“Subd. 3. [PAYMENT OF REASONABLE ATTORNEY FEES.] Subdivision 1 must not be construed to preclude payment of reasonable attorney fees.”

Page 4, delete lines 13 to 15, and insert “609.223, 609.2231, 609.228, 609.235, 609.24, 609.245, 609.25, 609.255, 609.27, 609.322, 609.323, 609.342, 609.343, 609.344, 609.345, 609.42, 609.48, 609.485, 609.495, 609.498, the theft statute, punishable under 609.52, subdivision 3, clause (3)(b), (4)(e), or (4)(f), 609.561, 609.562, 609.582, subdivision 1 or 2, 609.595, 609.67, 609.687, 609.71, 609.713, 609.86, 624.713, or 624.74. “Criminal activity” includes conduct which is chargeable under section 609.05.”

Page 5, line 12, delete the comma and insert “or”

Page 5, line 13, delete everything after “general” and insert a period

Page 5, delete lines 14 to 17

Page 5, line 35, after “enterprise” insert “or real property”

Page 5, delete line 36

Page 6, delete lines 1 to 8

Page 6, line 9, delete "3" and insert "2"

Page 12, line 14, after "dismissed" insert "after jeopardy attached" and after "person" insert "was"

Page 12, delete lines 15 to 20

Page 12, line 21, delete "3" and insert "2"

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 848, A bill for an act relating to judicial administration; regulating the administration of the workers' compensation court of appeals; amending Minnesota Statutes 1988, sections 175A.01, subdivision 1; 175A.02; 175A.07, subdivision 4; and 176.421, subdivisions 5, 6, and by adding a subdivision.

Reported the same back with the following amendments:

Page 1, lines 16 and 17, delete "five years' experience in the practice of law" and insert "been licensed to practice law for at least five years"

Page 2, line 34, delete "a rehearing" and insert "reconsideration"

Page 2, line 36, delete "resubmitted to" and insert "reconsidered by" and before the period insert ", on the record previously submitted and the arguments, if any, previously made by counsel"

Page 3, line 19, after the period insert "The rules shall also permit the chief judge to waive the 180-day limitation for good cause shown."

Page 4, line 3, delete "ten working" and insert "23"

Page 4, lines 5 and 6, delete "an additional ten working days"

Page 4, line 6, delete "unusual" and insert "extraordinary"

Page 4, line 36, after the period insert "The chief judge may waive the 180-day limitation for good cause shown."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Labor-Management Relations.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 853, A bill for an act relating to civil actions; excluding certain structures from the limitation period provided by the uniform commercial code; amending Minnesota Statutes 1988, section 336.2-725.

Reported the same back with the following amendments:

Page 2, line 6, delete “, nor”

Page 2, line 7, delete “does it” and insert “, Nor does this section”

Page 2, line 9, before the period insert “, which actions shall be subject only to the statute of limitations set forth in Minnesota Statutes, section 541.051”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Judiciary.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 854, A bill for an act relating to child care; amending certain provisions of the child care fund; amending provisions of the child care resource and referral grant program; amending provisions of the child care services grant program; amending Minnesota Statutes 1988, sections 256H.01, subdivisions 1, 2, 7, 8, 11, and 12; 256H.02; 256H.03; 256H.05; 256H.07; 256H.08; 256H.09; 256H.10, subdivision 3, and by adding a subdivision; 256H.11; 256H.12; 256H.13; 256H.15; 256H.18; and 256H.20, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 256H; repealing Minnesota Statutes 1988, sections 245.83; 245.84; 245.85; 245.871; 245.872; 245.873; 256H.04; 256H.05, subdivision 4; 256H.06; and 256H.07, subdivision 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 256H.01, subdivision 1, is amended to read:

Subdivision 1. [SCOPE.] For the purposes of sections 256H.01 to ~~265H.19~~ 256H.19, the following terms have the meanings given.

Sec. 2. Minnesota Statutes 1988, section 256H.01, subdivision 2, is amended to read:

Subd. 2. [CHILD CARE SERVICES.] "Child care services" means child care provided in family day care homes, group day care homes, nursery schools, day nurseries, child day care centers, ~~play groups,~~ head start, and ~~parent cooperatives,~~ and extended day school age child care programs or in or out of the child's home.

Sec. 3. Minnesota Statutes 1988, section 256H.01, subdivision 7, is amended to read:

Subd. 7. [EDUCATION PROGRAM.] "Education program" means remedial or basic education or English as a second language instruction, ~~high school education,~~ a program leading to a general equivalency or high school diploma, and other education and training needs as documented in an employability plan that is developed by an employment and training service provider certified by the commissioner of jobs and training or an individual designated by the county to provide employment and training services. The employability plan must outline education and training needs of a recipient and meet the requirements of other programs that provide federal reimbursement for child care services, and post-secondary education excluding post-baccalaureate programs.

Sec. 4. Minnesota Statutes 1988, section 256H.01, subdivision 8, is amended to read:

Subd. 8. [EMPLOYMENT PROGRAM.] "Employment program" means employment of recipients financially eligible for the child care ~~sliding fee program, vocational assessment, and job readiness and job search activities.~~ assistance, pre-employment activities, or other activities approved in an employability plan that is developed by an employment and training service provider certified by the commissioner of jobs and training or an individual designated by the county to provide employment and training services. The plans must meet the requirements of other programs that provide federal reimbursement for child care services.

Sec. 5. Minnesota Statutes 1988, section 256H.01, subdivision 11, is amended to read:

Subd. 11. [INCOME.] "Income" means earned or unearned income received by all family members 16 years or older, including public

assistance benefits, unless specifically excluded. The following are excluded from income: scholarships, work study income, and grants that cover costs for tuition, fees, books, and educational supplies; student loans for tuition, fees, books, supplies, and living expenses; earned income tax credits; in-kind income such as food stamps, energy assistance, medical assistance, and housing subsidies; income from summer or part-time employment of 16-, 17-, and 18-year-old full-time secondary school students; grant awards under the family subsidy program; and nonrecurring lump sum income only to the extent that it is earmarked and used for the purpose for which it is paid.

Sec. 6. Minnesota Statutes 1988, section 256H.01, subdivision 12, is amended to read:

Subd. 12. [PROVIDER.] "Provider" means ~~the a child care license holder or the legal nonlicensed caregiver who operates a family day care home, a group family day care home, a day care center, a nursery school, or a day nursery, an extended day school age child care program; a person exempt from licensure who meets child care standards established by the state board of education; or who functions in the child's home~~ a legal nonlicensed caregiver who is at least 18 years of age.

Sec. 7. Minnesota Statutes 1988, section 256H.02, is amended to read:

#### 256H.02 [DUTIES OF COMMISSIONER.]

The commissioner shall develop standards for county and human services boards, ~~and post-secondary educational systems~~, to provide child care services to enable eligible families to participate in employment, training, or education programs. Within the limits of available appropriations, the commissioner shall distribute money to counties to reduce the costs of child care for eligible families. The commissioner shall adopt rules to govern the program in accordance with this section. The rules must establish a sliding schedule of fees for parents receiving child care services. The commissioner shall maximize the use of federal money under the AFDC employment special needs program in section 256.736, subdivision 8, and other programs that provide federal reimbursement for child care services for recipients of aid to families with dependent children who are in education, training, job search, or other activities allowed under that program those programs. Money appropriated under this section must be coordinated with the AFDC employment special needs program and other programs that provide federal reimbursement for child care services to accomplish this purpose. Federal reimbursement obtained must be allocated to the county that spent money for child care that is federally reimbursable under the AFDC employment special needs program or other programs that provide federal reimbursement for child care services. The counties shall

use the federal money to expand services to AFDC recipients under this section.

Sec. 8. Minnesota Statutes 1988, section 256H.03, is amended to read:

256H.03 [ALLOCATION OF FUNDS BASIC SLIDING FEE PROGRAM.]

Subdivision 1. [COUNTIES; NOTICE OF ALLOCATION; REPORT.] By June 1 of each odd-numbered year, the commissioner shall notify all county and human services boards and post-secondary educational systems of their allocation. If the appropriation is insufficient to meet the needs in all counties, the amount must be prorated among the counties. When the commissioner notifies county and human service boards of the forms and instructions they are to follow in the development of their biennial community social services plans required under section 256E.08, the commissioner shall also notify county and human services boards of their estimated child care fund program allocation for the two years covered by the plan. By June 1 of each year, the commissioner shall notify all counties of their final child care fund program allocation.

Subd. 1a. [WAITING LIST.] Each county that receives funds under this section and section 256H.05 must keep a written record and report to the commissioner the number of eligible families who have applied for a child care subsidy or have requested child care assistance. Counties shall perform a cursory determination of eligibility when a family requests information about child care assistance. A family that appears to be eligible must be put on a waiting list if funds are not immediately available. The waiting list must identify students in need of child care. When money is available counties shall expedite the processing of student applications during key enrollment periods.

Subd. 2. [ALLOCATION; LIMITATIONS.] Except for set-aside money allocated under sections 256H.04, 256H.05, 256H.06, and 256H.07, the commissioner shall allocate money appropriated. The commissioner shall allocate 66 percent of the money appropriated under the child care fund for the basic sliding fee program and shall allocate those funds between the metropolitan area, comprising the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington, and the area outside the metropolitan area so that no more than 55 percent of the total appropriation goes to either area after excluding allocations for statewide administrative costs. The commissioner shall allocate 50 percent of the money among counties on the basis of the number of families below the poverty level, as determined from the most recent special census, and 50 percent on the basis of caseloads of aid to families with dependent children for the preceding fiscal year, as determined by the commissioner of human services, as follows:

(1) 50 percent of the money shall be allocated among the counties on the basis of the number of families below the poverty level, as determined from the most recent census or special census; and

(2) 50 percent of the money shall be allocated among the counties on the basis of the counties' portion of the AFDC caseload for the preceding state fiscal year.

If under the preceding formula, either the seven-county metropolitan area consisting of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington counties or the area consisting of counties outside the seven-county metropolitan area is allocated more than 55 percent of the basic sliding fee funds, each county's allocation in that area shall be proportionally reduced until the total for the area is no more than 55 percent of the basic sliding fee funds. The amount of the allocations proportionally reduced shall be used to proportionally increase each county's allocation in the other area.

Subd. 2a. [ELIGIBLE RECIPIENTS.] Families that meet the eligibility requirements under sections 256H.10 and 256H.11 are eligible for child care assistance under the basic sliding fee program. Counties shall make vendor payments to the child care provider or pay the parent directly for eligible child care expenses on a reimbursement basis.

Subd. 2b. [FUNDING PRIORITY.] (a) First priority for child care assistance under the basic sliding fee program must be given to eligible recipients 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. Priority for child care assistance under the basic sliding fee program must be given to non-AFDC families for this first priority unless a county can demonstrate that funds available in the AFDC child care program allocation are inadequate to serve all AFDC families eligible under this priority who need child care services. 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 all other parents who are eligible for the basic sliding fee program.

Subd. 3. [REVIEW OF USE OF FUNDS; REALLOCATION.] Once after each quarter, the commissioner shall review the use of child

care fund basic sliding fee program allocations by county. The commissioner may reallocate unexpended or unencumbered money among those counties who have expended their full portion allocation. Any unexpended money from the first year of the biennium may be carried forward to the second year of the biennium.

Sec. 9. Minnesota Statutes 1988, section 256H.05, is amended to read:

256H.05 [SET-ASIDE MONEY FOR AFDC PRIORITY GROUPS  
AFDC CHILD CARE PROGRAM.]

Subdivision 1. [ALLOCATIONS; USE NOTICE OF ALLOCATION.] Set-aside money for AFDC priority groups must be allocated among the counties based on the average monthly number of caretakers receiving AFDC under the age of 21 and the average monthly number of AFDC cases open 24 or more consecutive months. By June 1 of each year, the commissioner shall notify all county and human services boards of their allocation under the AFDC child care fund program.

Subd. 1a. [COUNTY ALLOCATION; LIMITATIONS.] The commissioner shall allocate 34 percent of the money appropriated under the child care fund for the AFDC child care program and shall allocate those funds among the counties as follows:

(1) 50 percent of the funds shall be allocated to the counties based on the average number of AFDC caretakers less than 21 years of age and the average number of AFDC cases which had been open 24 or more consecutive months during the preceding fiscal year; and

(2) 50 percent of the funds shall be allocated to the counties based on the average number of AFDC recipients for the preceding state fiscal year. For each fiscal year the average monthly caseload AFDC caseloads shall be based on counts taken at three-month intervals during the 12-month period ending March 31 December 31 of the previous state fiscal year. The commissioner may reallocate quarterly unexpended or unencumbered set-aside money to counties that expend their full allocation. The county shall use the set-aside money for AFDC priority groups and for former AFDC recipients who (1) have had their child care subsidized under the set-aside for AFDC priority groups; (2) continue to require a child care subsidy in order to remain employed; and (3) are on a waiting list for the basic sliding fee program.

Subd. 1b. [ELIGIBLE RECIPIENTS.] Families eligible for child care assistance under the AFDC child care program are families receiving AFDC and former AFDC recipients who, during their first year of employment, continue to require a child care subsidy in order to retain employment.

The commissioner shall designate between 20 to 60 percent of the AFDC child care program as the minimum to be reserved for AFDC recipients in an educational program. The amount reserved shall not be less than the amount allocated for AFDC post-secondary in the 1988-89 biennium.

If a family meets the eligibility requirements of the AFDC child care program and the caregiver has an approved employability plan that meets the requirements of appropriate federal reimbursement programs, that family is eligible for child care assistance.

Subd. 1c. [FUNDING PRIORITY.] Priority for child care assistance under the AFDC child care program shall be given to AFDC priority groups who are engaged in an employment or education program consistent with their employability plan.

If the AFDC recipient is employed, the AFDC child care disregard shall be applied before the remaining child care costs are subsidized by the AFDC child care program. AFDC recipients leaving AFDC due to their earned income, who have been on AFDC three out of the last six months and who apply for child care assistance under subdivision 1b within three months of leaving AFDC, shall be entitled to one year of child care subsidies during the first year of employment. AFDC recipients must be put on a waiting list for the basic sliding fee program when they leave AFDC due to their earned income.

Subd. 2. [COOPERATION WITH OTHER PROGRAMS.] The county shall develop cooperative agreements with the employment and training service provider for coordination of child care funding with employment, training, and education programs for aid to families with dependent children priority groups all AFDC recipients. The cooperative agreement shall specify that individuals receiving employment, training, and education services under an employability plan from the employment and training service provider shall, as resources permit, be guaranteed set-aside money for child care assistance from the county of their residence.

Subd. 3. [CONTRACTS; OTHER USES ALLOWED.] Counties may contract for administration of the program or may arrange for or contract for child care funds to be used by other appropriate programs, in accordance with this section and as permitted by federal law and regulations.

Subd. 3a. [AFDC CHILD CARE PROGRAM REALLOCATION.] The commissioner shall review the use of child care funds allocated under this section after every quarter. Priority for use of this money shall continue to be given to the AFDC priority groups.

The commissioner may reallocate to other counties AFDC child

care program funds which a county has failed to encumber or expend according to the following procedure:

(a) Unexpended or unencumbered funds reserved for recipients in educational programs may be reallocated to counties that have expended their funds for recipients in educational programs.

(b) If any funds reserved for recipients in educational programs remain after this reallocation, or any funds remain unencumbered or unexpended from the entire AFDC child care program, the funds may be reallocated to counties that have expended their full allocation for the AFDC child care program.

(c) If any AFDC child care program funds remain after this reallocation, they may be reallocated to counties who have expended their full allocation for the basic sliding fee program.

**Subd. 4. [USE OF FUNDS FOR OTHER APPLICANTS.]** If the commissioner finds, on or after January 1 of a fiscal year, that set-aside money for AFDC priority groups is not being fully utilized, the commissioner may permit counties to use set-aside money for other eligible applicants, as long as priority for use of the money will continue to be given to the AFDC priority groups.

**Subd. 5. [FEDERAL REIMBURSEMENT.]** A county may claim Counties shall maximize their federal reimbursement under the AFDC special needs program or other federal reimbursement programs for money spent for persons listed in this section 256H.04, subdivision 1, clause (1) and section 256H.03. The commissioner shall allocate any federal earnings to the county. The county shall use the money to be used to expand child care sliding fee services under this subdivision these sections.

Sec. 10. Minnesota Statutes 1988, section 256H.07, subdivision 1, is amended to read:

**256H.07 [SET-ASIDE MONEY FOR NON-AFDC PUBLIC AND NONPROFIT POST-SECONDARY STUDENTS CHILD CARE PROGRAM.]**

**Subdivision 1. [ALLOCATION; USE.]** On July 1 of 1989 and 1990, under an agreement with the higher education coordinating board, the commissioner shall permanently transfer from the basic sliding fee program to the higher education coordinating board the amount of funds equal to the amount allocated during the last year of the 1988-1989 biennium for the non-AFDC public and nonprofit post-secondary student program. The higher education coordinating board will administer the non-AFDC post-secondary child care program utilizing the sliding fee scale developed by the department of human services. The board will determine eligibility for the child

care subsidy based on family income and family size. For purposes of this determination, "income" means the income amount used to calculate eligibility for state scholarships and grants under section 136A.121. "Family size" means the family size used to calculate eligibility for state scholarships and grants under section 136A.121.

Students receiving subsidies shall:

(1) Choose providers using a licensed or legal unlicensed provider that meets the needs of their family.

(2) Continue to receive a subsidy as long as they are eligible, to the limit of the allocation.

(3) Receive a subsidy to cover all eligible hours of education and employment.

The higher education coordinating board will consult with the department to ensure a program comparable to the child care subsidy program administered by the department of human services. Each post-secondary educational system shall be allocated a portion of the set-aside money for persons listed in section 256H.04, subdivision 1, clause (3), based on the number of students with dependent children enrolled in each system in the preceding fiscal year. The post-secondary educational systems shall allocate their money among institutions under their authority based on the number of students with dependent children enrolled in each institution in the last fiscal year. For the purposes of this subdivision, "students with dependent children" means the sum of all Minnesota residents enrolled in public post-secondary institutions who report dependents on their applications to the state scholarship and grant program. The commissioner shall transfer the allocation for each post-secondary institution to the county board of the county in which the institution is located, to be held in an account for students found eligible for child care sliding fee assistance and attending the institution.

Sec. 11. Minnesota Statutes 1988, section 256H.08, is amended to read:

256H.08 [USE OF MONEY.]

Money for persons listed in section 256H.04, subdivision 1, clauses (2) and (3) sections 256H.03, subdivision 2a, 256H.05, subdivision 1b, and 256H.07, subdivision 1, shall be used to reduce the costs of child care for students, including the costs of child care for students while employed if enrolled in an eligible education program at the same time and making satisfactory progress towards completion of the program. The county may plan for and provide child care assistance to persons listed in section 256H.04, subdivision 1,

clauses (2) and (3), from the regular sliding fee fund to supplement the set-aside funds. Counties may not limit the duration of child care subsidies for a person in an employment or educational program, except when the person is found to be ineligible under the child care fund eligibility standards. Any limitation must be based on a person's employability plan in the case of an AFDC recipient, and county policies included in the child care allocation plan. Financially eligible students who have received child care assistance for one academic year shall be provided child care assistance in the following academic year if funds allocated under section 256H.06 or sections 256H.03, 256H.05, and 256H.07 are available.

Sec. 12. Minnesota Statutes 1988, section 256H.09, is amended to read:

#### 256H.09 [REPORTING AND PAYMENTS.]

Subdivision. 1. [QUARTERLY REPORTS.] Counties and post-secondary educational systems shall submit on forms prescribed by the commissioner a quarterly financial and program activity report which is due 20 calendar days after the end of each quarter. The failure to submit a complete report by the end of the quarter in which the report is due may result in a reduction of child care fund allocations equal to the next quarter's allocation. The financial and program activity report must include:

(1) a detailed accounting of the expenditures and revenues for the program during the preceding quarter by funding source and by eligibility group;

(2) a description of activities and concomitant expenditures that are federally reimbursable under the AFDC employment special needs program and other federal reimbursement programs;

(3) a description of activities and concomitant expenditures of set-aside child care money;

(4) information on money encumbered at the quarter's end but not yet reimbursable, for use in adjusting allocations as provided in section sections 256H.03, subdivision 3, and 256H.05, subdivision 4 1a; 256H.06, subdivision 3; and 256H.07, subdivision 3; and

(5) other data the commissioner considers necessary to account for the program or to evaluate its effectiveness in preventing and reducing participants' dependence on public assistance and in providing other benefits, including improvement in the care provided to children.

Subd. 2. [QUARTERLY PAYMENTS.] The commissioner shall make payments to each county in quarterly installments. The

commissioner may certify an advance for the first quarter of the fiscal year. Later payments must be based on actual expenditures as reported in the quarterly financial and program activity report. The commissioner may make payments to each county in quarterly installments. The commissioner may certify an advance up to 25 percent of the allocation. Subsequent payments shall be made on a reimbursement basis for reported expenditures, and may be adjusted for anticipated spending patterns. Payments may be withheld if quarterly reports are incomplete or untimely.

Subd. 3. [CHILD CARE FUND PLAN.] Effective January 1, 1992, the county will include the plan required under this subdivision in its biennial community social services plan required in this section, for the group described in section 256E.03, subdivision 2, paragraph (h). For the period July 1, 1989, to December 31, 1991, the county shall submit separate child care fund plans required under this subdivision for the periods July 1, 1989, to June 30, 1990; and July 1, 1990, to December 31, 1991. The commissioner shall establish the dates by which the county must submit these plans. The county and designated administering agency shall submit to the commissioner an annual child care fund allocation plan. The plan shall include:

(1) a narrative of the total program for child care services, including all policies and procedures that affect eligible families and are used to administer the child care funds;

(2) the number of families that requested a child care subsidy in the previous year, the number of families receiving child care assistance, the number of families on a waiting list, and the number of families projected to be served during the fiscal year;

(3) the methods used by the county to inform eligible groups of the availability of child care assistance and related services;

(4) the provider rates paid for all children by provider type;

(5) the county prioritization policy for all eligible groups under the basic sliding fee program and AFDC child care program;

(6) a report of all funds available to be used for child care assistance, including demonstration of compliance with the maintenance of funding effort required under section 256H.12; and

(7) other information as requested by the department to insure compliance with the child care fund statutes and rules promulgated by the commissioner.

The commissioner shall notify counties within 60 days after the date the plan was due whether the plan is approved or whether corrections or information are needed to approve the plan.

The commissioner shall withhold a county's allocation until it has an approved plan. Plans not approved by the end of the second quarter after the plan is due may result in a 25 percent reduction in allocation. Plans not approved by the end of the third quarter after the plan is due may result in a 100 percent reduction in the allocation to the county. Counties are to maintain services despite any reduction in their allocation due to plans not being approved.

Subd. 4. [TERMINATION OF ALLOCATION.] The commissioner may withhold, reduce, or terminate the allocation of any county or post-secondary educational system that does not meet the reporting or other requirements of this program. The commissioner shall reallocate to other counties or post-secondary educational systems money so reduced or terminated.

Sec. 13. Minnesota Statutes 1988, section 256H.10, subdivision 2, is amended to read:

Subd. 2. [SLIDING FEE.] Child care services to families with incomes in the commissioner's established range must be made available on a sliding fee basis. The lower limit of the sliding fee range must be the eligibility limit for aid to families with dependent children. The upper limit of the range must be neither less than 70 percent nor more than 90 percent of the state median income for a family of four, adjusted for family size. Beginning July 1, 1991, the upper limit shall be no less than 80 percent. The upper limit shall increase to 85 percent on July 1, 1993, and to 90 percent on July 1, 1995.

Sec. 14. Minnesota Statutes 1988, section 256H.10, subdivision 3, is amended to read:

Subd. 3. [PRIORITIES; ALLOCATIONS.] If a disproportionate amount more than 75 percent of the available money is provided to any one of the groups described in ~~subdivision 1~~ section 256H.03 or 256H.05, the county board shall document to the commissioner the reason the group received a disproportionate share unless approved in the plan. If a county projects that its child care allocation is insufficient to meet the needs of all eligible groups, it may prioritize among the groups that remain to be served after compliance with the priority requirements of sections 256H.03 and 256H.05. Counties shall assure that a person receiving child care assistance from the sliding fee program prior to July 1, 1987, continues to receive assistance, providing the person meets all other eligibility criteria. Set-aside money must be prioritized by the state, and counties do not have discretion over the use of this money. Counties that have established a priority must submit the policy in the annual allocation plan.

Sec. 15. Minnesota Statutes 1988, section 256H.10, is amended by adding a subdivision to read:

Subd. 5. [PROVIDER CHOICE.] Parents may choose child care providers as defined under section 256H.01, subdivision 12, that best meet the needs of their family. Counties shall make resources available to parents in choosing quality child care services. Counties may require a parent to sign a release stating the parent's knowledge and responsibilities in choosing a legal provider described under section 256H.01, subdivision 12. When a county has knowledge that the particular provider or care arrangement chosen by the parent is unsafe, the county may deny a child care subsidy. Counties may not restrict access to a general category of provider allowed under section 256H.01, subdivision 12.

Sec. 16. Minnesota Statutes 1988, section 256H.11, is amended to read:

256H.11 [EMPLOYMENT OR TRAINING ELIGIBILITY.]

Subdivision 1. [ASSISTANCE FOR PERSONS SEEKING AND RETAINING EMPLOYMENT.] Persons who are seeking employment and who are eligible for assistance under this section are eligible to receive the equivalent of one month of child care. Employed persons who work at least ten hours a week and receive at least a minimum wage for all hours worked are eligible for continued child care assistance.

Subd. 2. [FINANCIAL ELIGIBILITY REQUIRED.] Persons participating in employment programs, training programs, or education programs are eligible for continued assistance from the child care sliding fee program fund, if they are financially eligible under the sliding fee scale set by the commissioner in section 256H.14. Counties shall assure that a person receiving child care assistance from the sliding fee program while attending a post-secondary institution prior to July 1, 1987, continues to receive assistance from the regular sliding fee program, or the set-asides in section 256H.06 or 256H.07, providing the person meets all other eligibility criteria.

Sec. 17. Minnesota Statutes 1988, section 256H.12, is amended to read:

256H.12 [COUNTY CONTRIBUTION.]

Subdivision 1. [COUNTY CONTRIBUTIONS REQUIRED.] In addition to payments from parents, the program must be funded by county contributions. Except for set-aside money, counties shall contribute from county tax or other sources a minimum of 15 percent of the cost of the basic sliding fee program. The commissioner shall recover funds from the county as necessary to bring county expenditures into compliance with this subdivision.

Subd. 2. [FEDERAL MONEY; STATE RECOVERY.] The commis-

sioner shall recover from counties any state or federal money funds that were spent for persons found to be ineligible. If a federal audit exception is taken based on a percentage of federal earnings, all counties shall pay a share proportional to their respective federal earnings during the period in question.

Subd. 3. [OTHER SOURCES MUST BE MAINTAINED MAINTENANCE OF FUNDING EFFORT.] To receive money through this program, each county shall certify, in its annual plan to the commissioner, that the county has not reduced allocations from other federal, state, and county sources, which, in the absence of the child care sliding fee or wage subsidy money fund, would have been available for child care services assistance.

Sec. 18. Minnesota Statutes 1988, section 256H.15, is amended to read:

256H.15 [CHILD CARE RATES.]

Subdivision 1. [SUBSIDY RESTRICTIONS.] The county board may limit the subsidy allowed by setting a maximum on the provider child care rate that the county shall subsidize. The maximum rate set by any county shall not be lower than 110 percent or higher than 125 percent of the median rate for like care arrangements for all types of care including special needs and handicapped care in that county as determined by the commissioner. If the county sets a maximum rate, it must pay the provider's rate for each child receiving a subsidy, up to the maximum rate set by the county. In order to be reimbursed for more than 110 percent of the median rate, a provider with employees must pay wages for teachers, assistants, and aides that are more than 110 percent of the county average rate for child care workers. If a county does not set a maximum provider rate, it shall pay the provider's rate for every child in care. The maximum state payment is 125 percent of the median provider rate. If the county has not set a maximum provider rate and the provider rate is greater than 125 percent of the median provider rate in the county, the county shall pay the amount in excess of 125 percent of the median provider rate from county funding sources. When the provider charge is greater than the maximum provider rate set by the county, the parent is responsible for payment of the difference in the rates in addition to any family copayment fee.

Subd. 2. [PROVIDER RATE BONUS FOR ACCREDITATION.] Currently accredited child care centers shall be paid a five percent bonus above the maximum rate established by the county in subdivision 1, if the center can demonstrate that its staff wages are greater than 110 percent of the average wages in the county for similar care, up to the actual provider rate. A family day care provider shall be paid a five percent bonus above the maximum rate established by the county in subdivision 1, if the provider holds a current child development associate certificate, up to the actual

provider rate. A county is not required to review wages under this subdivision unless the county has set a maximum above 110 percent for all providers with employees in their county.

**Subd. 3. [PROVIDER RATE FOR CARE OF CHILDREN WITH HANDICAPS OR SPECIAL NEEDS.]**

Counties shall reimburse providers for the care of children with handicaps or special needs, at a special rate to be set by the county for care of these children, subject to the approval of the commissioner.

Sec. 19. Minnesota Statutes 1988, section 256H.18, is amended to read:

**256H.18 [ADMINISTRATIVE EXPENSES.]**

A county must may not use more than seven percent of its allocation for its administrative expenses under this section, except a county may not use any of its allocation of the set-aside funds under subdivisions 3b and 3c for administrative expenses the basic sliding fee program. A county may use up to four percent of the funds transferred to it under subdivision 3d for administrative expenses. The higher education coordinating board may not use more than seven percent of the allocation for public and nonprofit post-secondary student child care for administrative expenses.

Sec. 20. Minnesota Statutes 1988, section 256H.20, subdivision 3, is amended to read:

**Subd. 3. [PROGRAM SERVICES.]** The commissioner may make grants to public or private nonprofit entities to fund child care resource and referral programs. Child care resource and referral programs must serve a defined geographic area.

**Subd. 3a. [GRANT REQUIREMENTS AND PRIORITY.]** Priority for awarding resource and referral grants shall be given in the following order:

(1) start up resource and referral programs in areas of the state where they do not exist; and

(2) improve resource and referral programs.

Resource and referral programs shall meet the following requirements:

(a) Each program shall identify all existing child care services through information provided by all relevant public and private agencies in the areas of service, and shall develop a resource file of

the services which shall be maintained and updated at least quarterly. These services must include family day care homes; public and private day care programs; full-time and part-time programs; infant, preschool, and extended care programs; and programs for school age children.

The resource file must include: the type of program, hours of program service, ages of children served, fees, location of the program, eligibility requirements for enrollment, special needs services, and transportation available to the program. The file may also include program information and special needs services program features.

(b) Each program shall establish a referral process which responds to parental need for information and which fully recognizes confidentiality rights of parents. The referral process must afford parents maximum access to all referral information. This access must include telephone referral available for no less than 20 hours per week.

Each child care resource and referral agency shall publicize its services through popular media sources, agencies, employers, and other appropriate methods.

(c) Each program shall maintain ongoing documentation of requests for service. All child care resource and referral agencies must maintain documentation of the number of calls and contacts to the child care information and referral agency or component. A program may shall collect and maintain the following information:

- (1) ages of children served;
- (2) time category of child care request for each child;
- (3) special time category, such as nights, weekends, and swing shift; and
- (4) reason that the child care is needed.

(d) Each program shall ~~have~~ make available the following information as an educational aid to parents:

- (1) information on aspects of evaluating the quality and suitability of child care services, including licensing regulation, financial assistance available, child abuse reporting procedures, appropriate child development information;
- (2) information on available parent, early childhood, and family education programs in the community.

(e) On or after one year of operation a program may shall provide technical assistance to employers and existing and potential providers of all types of child care services and employers. This assistance shall include:

(1) information on all aspects of initiating new child care services including licensing, zoning, program and budget development, and assistance in finding information from other sources;

(2) information and resources which help existing child care providers to maximize their ability to serve the children and parents of their community;

(3) dissemination of information on current public issues affecting the local and state delivery of child care services;

(4) facilitation of communication between existing child care providers and child-related services in the community served;

(5) recruitment of licensed providers; and

(6) options, and the benefits available to employers utilizing the various options, to expand child care services to employees.

Services prescribed by this section must be designed to maximize parental choice in the selection of child care and to facilitate the maintenance and development of child care services and resources.

(f) Child care resource and referral information must be provided to all persons requesting services and to all types of child care providers and employers.

(g) Public or private entities may apply to the commissioner for funding. The maximum amount of money which may be awarded to any entity for the provision of service under this subdivision is \$60,000 per year. A local match of up to 25 percent is required.

Sec. 21. [256H.21] [CHILD CARE SERVICES GRANT DEFINITIONS.]

Subdivision 1. [DEFINITIONS.] As used in sections 256H.20 to 256H.23, the words defined in this section shall have the meanings given them.

Subd. 2. [CHILD.] "Child" means a person 12 years old or younger, or a person age 13 or 14 who is handicapped, as defined in section 120.03.

Subd. 3. [CHILD CARE.] "Child care" means the care of a child by someone other than a parent or legal guardian outside the child's

own home for gain or otherwise, on a regular basis, for any part of a 24-hour day.

Subd. 4. [CHILD CARE SERVICES.] "Child care services" means child care provided in family day care homes, group day care homes, nursery schools, day nurseries, child day care centers, head start, and extended day school age child care programs.

Subd. 5. [CHILD CARE WORKER.] "Child care worker" means a person who cares for children for compensation, including a licensed provider of child care services, an employee of a provider, and a person who has applied for a license as a provider or a person meeting the state board of education standards.

Subd. 6. [COMMISSIONER.] "Commissioner" means the commissioner of human services.

Subd. 7. [FACILITY IMPROVEMENT EXPENSES.] "Facility improvement expenses" means funds for building improvements, equipment, toys, and supplies needed to establish, expand, or improve a licensed child care facility or a child care program under the jurisdiction of the state board of education.

Subd. 8. [INTERIM FINANCING.] "Interim financing" means funds to carry out such activities as are necessary for family day care homes, group family day care homes, and child care centers to receive and maintain state licensing, to expand an existing program or to improve program quality, and to provide operating funds for a period of six consecutive months after receipt of state licensure or meeting the state board of education standards by a family day care home, group family day care home, or child care center. Interim financing may not exceed a period of 18 months.

Subd. 9. [MINI-GRANTS.] "Mini-grants" means child care grants for facility improvements that are less than \$1,000. Mini-grants include, but are not limited to, improvements to meet licensing requirements, improvements to expand a child care facility or program, toys and equipment, start-up costs, staff training, and development costs.

Subd. 10. [RESOURCE AND REFERRAL PROGRAM.] "Resource and referral program" means a program that provides information to parents, including referrals and coordination of community child care resources for parents and public or private providers of care. Services may include parent education, technical assistance for providers, staff development programs, and referrals to social services.

Subd. 11. [STAFF TRAINING OR DEVELOPMENT EXPENSES.] "Staff training or development expenses" include the cost

to a child care worker of tuition, transportation, required materials and supplies, and wages for a substitute while the child care worker is engaged in a training program.

Subd. 12. [TRAINING PROGRAM.] "Training program" means child development courses offered by an accredited post-secondary institution or similar training approved by a county board or the department of human services. To qualify as a training program under this section, a course of study must teach specific skills that meet licensing requirements or those required by the state board of education.

Sec. 22. [256H.22] [CHILD CARE SERVICES GRANTS.]

Subdivision 1. [GRANTS ESTABLISHED.] The commissioner shall award grants to develop child care services, including facility improvement expenses, interim financing, resource and referral programs, and staff training expenses. Child care services grants may include mini-grants up to \$1,000. The commissioner shall develop a grant application form, inform county social service agencies about the availability of child care services grants, and set a date by which applications must be received by the commissioner.

The commissioner may renew grants to existing resource and referral agencies that have met state standards and have been designated as the child care resource and referral service for a particular geographical area. The recipients of renewal grants are exempt from the proposal review process.

Subd. 2. [DISTRIBUTION OF FUNDS.] (a) The commissioner shall allocate grant money appropriated for child care service (development and resource and referral services) among the development regions designated by the governor under section 462.385, as follows:

(1) 50 percent of the child care service development grant appropriation shall be allocated to the metropolitan area; and

(2) 50 percent of the child care service development grant appropriation shall be allocated to greater Minnesota counties.

(b) The following formulas shall be used to allocate grant appropriations among the counties:

(1) 50 percent of the funds shall be allocated in proportion to the ratio of children under 12 years of age in each county to the total number of children under 12 years of age in all counties; and

(2) 50 percent of the funds shall be allocated in proportion to the

ratio of children under 12 years of age in each county to the number of licensed child care spaces currently available in each county.

(c) Out of the amount allocated for each development region and county, the commissioner shall award grants based on the recommendation of the grant review advisory task force. In addition, the commissioner shall award no more than 75 percent of the money either to child care facilities for the purpose of facility improvement or interim financing or to child care workers for staff training expenses. The commissioner shall award no more than 50 percent of the money for resource and referral services to maintain or improve an existing resource and referral until all regions are served by resource and referral programs.

(d) Any funds unobligated may be used by the commissioner to award grants to proposals that received funding recommendations by the advisory task force but were not awarded due to insufficient funds.

Subd. 3. [CHILD CARE REGIONAL ADVISORY COMMITTEES.] Child care regional advisory committees shall review and make recommendations to the commissioner on applications for service development grants under this section. The commissioner shall appoint the child care regional advisory committees in each governor's economic development regions. People appointed under this subdivision must represent the following constituent groups: family child care providers, group center providers, parent users, health services, social services, public schools, and other citizens with demonstrated interest in child care issues. Members of the advisory task force with a direct financial interest in a pending grant proposal may not provide a recommendation or participate in the ranking of that grant proposal. Committee members may be reimbursed for their actual travel expenses for up to six committee meetings per year. The child care regional advisory committees shall complete their reviews and forward their recommendations to the commissioner by the date set under subdivision 1.

Subd. 4. [PURPOSES FOR WHICH A CHILD CARE SERVICES GRANT MAY BE AWARDED.] The commissioner may award grants for any of the following purposes:

(1) for creating new licensed day care facilities and expanding existing facilities, including, but not limited to, supplies, equipment, facility renovation, and remodeling;

(2) for improving licensed day care facility programs, including, but not limited to, staff specialists, staff training, supplies, equipment, and facility renovation and remodeling. In awarding grants for training, priority must be given to child care workers caring for infants, toddlers, sick children, children in low-income families, and children with special needs;

(3) for supportive child development services including, but not limited to, in-service training, curriculum development, consulting specialist, resource centers, and program and resource materials;

(4) for carrying out programs including, but not limited to, staff, supplies, equipment, facility renovation, and training;

(5) for interim financing; and

(6) for carrying out the resource and referral program services identified in section 256H.20, subdivision 3.

Subd. 5. [FUNDING PRIORITIES; FACILITY IMPROVEMENT AND INTERIM FINANCING.] In evaluating applications for funding and making recommendations to the commissioner, the grant review advisory task force shall rank and give priority to:

(1) new programs or projects, or the expansion or improvement of existing programs or projects in areas where a demonstrated need for child care facilities has been shown, with special emphasis on programs or projects in areas where there is a shortage of licensed child care;

(2) new programs and projects, or the expansions or enrichment of existing programs or projects that serve sick children, infants or toddlers, children with special needs, and children from low-income families;

(3) unlicensed providers who wish to become licensed; and

(4) improvement of existing programs.

Subd. 6. [FUNDING PRIORITIES; TRAINING GRANTS.] In evaluating applications for training grants and making recommendations to the commissioner, the grant review advisory task force shall give priority to:

(1) applicants who will work in facilities caring for sick children, infants, toddlers, children with special needs, and children from low-income families;

(2) applicants who will work in geographic areas where there is a shortage of child care;

(3) unlicensed providers who wish to become licensed;

(4) child care programs seeking accreditation and child care providers seeking certification; and

(5) entities that will use grant money for scholarships for child care workers attending educational or training programs sponsored by the entity.

Subd. 7. [ELIGIBLE GRANT RECIPIENTS.] Eligible recipients of child care grants are licensed providers of child care, or those in the process of being licensed, resource and referral programs, or corporations or public agencies, or any combination thereof. With the exception of mini-grants, priority for child care grants shall be given to grant applicants as follows:

- (1) public and private nonprofit agencies;
- (2) employer-based child care centers;
- (3) for-profit child care centers; and
- (4) family day care providers.

Subd. 8. [GRANT MATCH REQUIREMENTS.] Child care grants for facility improvements, interim financing, resource and referral, and staff training and development require a 25 percent local match by the grant applicant. A local match is not required for a mini-grant.

Subd. 9. [CHILD CARE MINI-GRANTS.] Mini-grants for child care service development must be used by the grantee for facility improvements, including, but not limited to, improvements to meet licensing requirements, improvements to expand the facility, toys and equipment, start-up costs, interim financing, or staff training and development. Priority for child care mini-grants shall be given to grant applicants as follows:

- (1) family day care providers;
- (2) public and private nonprofit agencies;
- (3) employer-based child care centers; and
- (4) for-profit child care centers.

Subd. 10. [ADVISORY TASK FORCE.] The commissioner shall convene a statewide advisory task force which shall advise the commissioner on grants and other child care issues. The statewide advisory task force shall review and make recommendations to the commissioner on child care resource and referral grants and on statewide child care training grants. Members of the advisory task force with a direct financial interest in a resource and referral or a statewide training proposal may not provide a recommendation or participate in the ranking of that grant proposal. Each regional

grant review committee formed under subdivision 3, shall appoint a representative to the advisory task force. The commissioner may convene meetings of the task force as needed. Terms of office and removal from office are governed by the appointing body. The commissioner may compensate members for their expenses of travel to meetings of the task force. The members of the child care advisory task force shall also meet once with the interagency advisory committee on child care under section 25.

Sec. 23. [256H.23] [OTHER AUTHORIZATION TO MAKE GRANTS.]

Subdivision 1. [AUTHORITY.] In addition to the commissioner's authority to make child care services grants, the county board is authorized to provide child care services, or to make grants from the community social service fund, special tax revenue, or its general fund, or other sources to any municipality, corporation, or combination thereof, for the cost of providing technical assistance and child care services. The county board is also authorized to contract for services with any licensed day care facility, as the board deems necessary or proper to carry out the purposes of this section.

The county board may also make grants to or contract with any municipality, licensed child care facility, or resource and referral program, or corporation or combination thereof, for any of the following purposes:

(1) creating new licensed day care facilities and expanding existing facilities including, but not limited to, supplies, equipment, and facility renovation and remodeling;

(2) improving licensed day care facility programs, including, but not limited to, staff specialists, staff training, supplies, equipment, and facility renovation and remodeling. In awarding grants for training, counties must give priority to child care workers caring for infants, toddlers, sick children, children in low-income families, and children with special needs;

(3) supportive child development services, including, but not limited to, in-service training, curriculum development, consulting specialists, resource centers, and program and resource materials;

(4) carrying out programs, including, but not limited to, staff, supplies, equipment, facility renovation, and training;

(5) interim financing; and

(6) carrying out the resource and referral program services identified in section 256H.20, subdivision 3.

Subd. 2. [DONATED MATERIALS AND SERVICES; MATCHING SHARE OF COST.] For the purposes of this section, donated professional and volunteer services, program materials, equipment, supplies, and facilities may be approved as part of a matching share of the cost, provided that total costs shall be reduced by the costs charged to parents if a sliding fee scale has been used.

Subd. 3. [BIENNIAL PLAN.] The county board shall biennially develop a plan for the distribution of money for child care services as part of the community social services plan described in section 256E.09. All licensed child care programs shall be given written notice concerning the availability of money and the application process.

Sec. 24. [256H.24] [DUTIES OF COMMISSIONER.]

In addition to the powers and duties already conferred by law, the commissioner of human services shall:

(1) by September 1, 1990, and by September 1 of each subsequent even-numbered year, survey and report on all components of the child care system, including, but not limited to, availability of licensed child care slots, the number of children in various kinds of child care settings, staff wages, rate of staff turnover, qualifications of child care workers, cost of child care by type of service and ages of children, and child care availability through school systems;

(2) by September 1, 1990, and September 1 of each subsequent even-numbered year, survey and report on the extent to which existing child care services fulfill the need for child care, giving particular attention to the need for part-time care and for care of infants, sick children, children with special needs, low-income children, toddlers, and school-age children;

(3) administer the child care fund, including the sliding fee program authorized under sections 256H.01 to 256H.19;

(4) monitor the child care resource and referral programs established under section 256H.20; and

(5) encourage child care providers to participate in a nationally recognized accreditation system for early childhood programs. The commissioner shall reimburse licensed child care providers for one-half of the direct cost of accreditation fees, upon successful completion of accreditation.

Sec. 25. [256H.25] [INTERAGENCY ADVISORY COMMITTEE ON CHILD CARE.]

Subdivision 1. [MEMBERSHIP.] By January 1, 1990, the commis-

sioner of the state planning agency shall convene and chair an interagency advisory committee on child care. In addition to the commissioner, members of the committee are the commissioners of each of the following agencies and departments: health, human services, jobs and training, public safety, education, and the higher education coordinating board. The purpose of the committee is to improve the quality and quantity of child care and the coordination of child care related activities among state agencies.

Subd. 2. [DUTIES.] The committee shall advise its member agencies on matters related to child care policy and planning. Specifically, the committee shall:

(1) develop a consistent policy on issues related to child care;

(2) advise the member agencies on implementing policies and developing rules that are consistent with the committee's policy on child care;

(3) advise the member agencies on state efforts to increase the supply and improve the quality of child care facilities and options; and

(4) perform other advisory tasks related to improving child care options throughout the state.

Subd. 3. [MEETINGS.] The committee shall meet as often as necessary to perform its duties. The committee shall meet at least once per year with the members of the child care advisory task force.

Sec. 26. [256H.26] [CHILD CARE INFORMATION SERVICE.]

The commissioner shall establish, on a pilot project basis, a toll-free information service for child care providers, potential providers, and parents to assist callers to find existing child care services at the state or local level and to facilitate expansion and marketing of child care services. The telephone must be staffed during regular business hours to respond promptly to questions and during regular business hours to respond promptly to questions and concerns. The information and assistance must be made available free to all callers. The commissioner shall report to the legislature by January 1, 1991 on the effectiveness of this service and shall recommend how and by whom the operation should be administered. The commissioner shall consult with local resource and referral agencies, both public and private, in making its recommendations.

Sec. 27. [REPEALER.]

Minnesota Statutes 1988, sections 245.83; 245.84; 245.85;

245.871; 245.872; 245.873; 256H.04; 256H.05, subdivision 4; 256H.06; 256H.07, subdivision 4; and 256H.13, are repealed."

Delete the title and insert:

"A bill for an act relating to child care; amending certain provisions of the child care fund; amending provisions of the child care resource and referral grant program; amending provisions of the child care services grant program; amending Minnesota Statutes 1988, sections 256H.01, subdivisions 1, 2, 7, 8, 11, and 12; 256H.02; 256H.03; 256H.05; 256H.07, subdivision 1; 256H.08; 256H.09; 256H.10, subdivisions 2, 3, and by adding a subdivision; 256H.11; 256H.12; 256H.15; 256H.18; and 256H.20, subdivision 3; proposing coding for new law in Minnesota Statutes, chapter 256H; repealing Minnesota Statutes 1988, sections 245.83; 245.84; 245.85; 245.871; 245.872; 245.873; 256H.04; 256H.05, subdivision 4; 256H.06; and 256H.07, subdivision 4; and 256H.13."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 882, A bill for an act relating to employment; providing for severance pay and insurance coverage to certain terminated employees; requiring employers to provide advance notice of certain actions related to plant closings and mass layoffs; appropriating money; amending Minnesota Statutes 1988, section 268.07, subdivision 2; proposing coding for new law as Minnesota Statutes, chapter 268A.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 893, A bill for an act relating to human services; disregarding the first \$50 of child support received when determining eligibility for food stamps; expanding the local income assistance grant program; appropriating money; amending Minnesota Statutes 1988, section 393.07, subdivision 10; and Laws 1988, chapter 689, article 2, sections 248, and 269, subdivision 2.

Reported the same back with the following amendments:

Page 1, line 11, delete "6" and insert "5"

Pages 1 to 3, delete section 2

Page 4, line 24, delete "\$600,000" and insert "\$350,000"

Page 4, line 25, delete "\$600,000" and insert "\$850,000" and delete "This"

Page 4, delete lines 26 to 36

Page 5, delete lines 1 and 2 and insert "The primary purpose of this appropriation is to expand the home-delivered meals program beyond the funding level for the calendar year ending December 31, 1988."

Page 5, line 3, delete "\$300,000" and insert "\$50,000"

Page 5, line 7, delete "\$2,100,000" and insert "\$1,400,000"

Page 5, line 10, delete "\$1,050,000" and insert "\$700,000"

Page 5, line 11, delete "\$1,050,000" and insert "\$700,000"

Renumber the sections in sequence

Correct internal references

Delete the title and insert:

"A bill for an act relating to human services; expanding the local income assistance grant program; appropriating money; amending Laws 1988, chapter 689, article 2, sections 248 and 269, subdivision 2."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 916, A bill for an act relating to metropolitan government; providing a salary range and specifying responsibilities for the chair of the waste control commission; amending Minnesota

Statutes 1988, sections 15A.081, subdivisions 1 and 7; and 473.141, subdivision 3.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 927, A bill for an act relating to traffic regulations; defining terms; subjecting driver of commercial motor vehicle to stricter federal standard on alcohol-related driving; providing for and regulating category of commercial driver's license and commercial motor vehicle drivers; authorizing Minnesota to join driver license compact; allowing exchange of driver license information with other states; promoting consolidated, complete driver record; imposing penalties; appropriating money; amending Minnesota Statutes 1988, sections 168.011, subdivision 9; 169.01, subdivision 50, and by adding a subdivision; 169.123, subdivisions 1, 2, 4, 5, 5a, 5b, 5c, and 6; 171.01, subdivision 19, and by adding subdivisions; 171.02, subdivision 2; 171.03; 171.04; 171.06, subdivisions 2 and 3; 171.07, by adding a subdivision; 171.10, subdivision 2; 171.12, subdivision 2; 171.13, subdivision 5; 171.14; 171.16, subdivision 1; 171.18; 171.19; 171.20; 171.22, subdivision 1; 171.24; and 171.30, subdivision 3; proposing coding for new law in Minnesota Statutes, chapters 169 and 171.

Reported the same back with the following amendments:

Page 22, delete lines 21 and 22, and insert:

"(4) violating a moving traffic statute or ordinance of any state, that is in conformity with a Minnesota statute, arising in connection with a fatal accident."

Page 22, line 24, delete "implement" and insert "administer"

Page 22, after line 24, insert:

"Subd. 6. [SCOPE.] This section applies only to offenses committed or revocations imposed for incidents occurring on or after January 1, 1990."

Page 34, after line 10, insert:

"Sec. 42. [TRANSITION; TEMPORARY LICENSES.]

Temporary driver's licenses shall be issued to an individual driver who possesses a good driving record as determined by the commissioner of public safety, but fails to pass the written examination before the expiration date of that driver's license, until the driver passes the written examination or March 31, 1992, whichever is earlier."

Page 34, line 14, delete "41" and insert "42"

Page 34, line 17, delete "42" and insert "43"

Renumber the sections in sequence

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 930, A bill for an act relating to wild animals; removing authority to offer a bounty on rattlesnakes; amending Minnesota Statutes 1988, sections 348.12 and 348.13.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Kalis from the Committee on Transportation to which was referred:

H. F. No. 946, A bill for an act relating to motor vehicles; providing for special license plates for disabled persons; setting fee for duplicate personalized license plates; amending Minnesota Statutes 1988, sections 168.011, subdivision 4; 168.012, subdivisions 1 and 3a; 168.021; 168.12, subdivision 2a; 168.125, subdivision 2; 168.27, subdivision 2; 168.29; 169.01, subdivision 24a; 169.215; 169.345; and 169.346; repealing Minnesota Statutes 1988, section 168.12, subdivisions 3 and 4.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 168.011, subdivision 4, is amended to read:

Subd. 4. [MOTOR VEHICLE.] (a) "Motor vehicle" means any self-propelled vehicle not operated exclusively upon railroad tracks and any vehicle propelled or drawn by a self-propelled vehicle and includes vehicles known as trackless trolleys which are propelled by electric power obtained from overhead trolley wires but not operated upon rails; except snowmobiles and manufactured homes.

(b) "Motor vehicle" also includes an all-terrain vehicle, as defined in section 84.92, subdivision 8, which (1) has at least four wheels, (2) is owned and operated by a physically handicapped disabled person, and (3) displays both physically handicapped the special license plates for the physically disabled person and a physically handicapped parking disabled certificate for a physically disabled person issued under section 169.345, subdivision 3.

(c) Motor vehicle does not include an all-terrain vehicle as defined in section 84.92, subdivision 8; except (1) an all-terrain vehicle described in paragraph (b), or (2) an all-terrain vehicle licensed as a motor vehicle before August 1, 1985, in which case the owner may continue to license it as a motor vehicle until it is conveyed or otherwise transferred to another owner, is destroyed, or fails to comply with the registration and licensing requirements of this chapter.

Sec. 2. Minnesota Statutes 1988, section 168.012, subdivision 1, is amended to read:

Subdivision 1. (a) The following vehicles are exempt from the provisions of this chapter requiring payment of tax and registration fees, except as provided in subdivision 1c:

(1) vehicles owned and used solely in the transaction of official business by representatives of foreign powers, by the federal government, the state, or any political subdivision;

(2) vehicles owned and used exclusively by educational institutions and used solely in the transportation of pupils to and from such institutions;

(3) vehicles owned by nonprofit charities and used exclusively to transport handicapped disabled persons for educational purposes;

(4) vehicles owned and used by honorary consul or consul general of foreign governments.

(b) Vehicles owned by the federal government, municipal fire apparatus, police patrols and ambulances, the general appearance of which is unmistakable, shall not be required to register or display number plates.

(c) Unmarked vehicles used in general police work, arson investigations, and passenger vehicles, station wagons, and buses owned or operated by the department of corrections shall be registered and shall display passenger vehicle classification license number plates which shall be furnished by the registrar at cost. Original and renewal applications for these passenger vehicle license plates authorized for use in general police work and for use by the department of corrections must be accompanied by a certification signed by the appropriate chief of police if issued to a police vehicle, the appropriate sheriff if issued to a sheriff's vehicle, the commissioner of corrections if issued to a department of corrections vehicle, or the appropriate officer in charge if issued to a vehicle of any other law enforcement agency. The certification must be on a form prescribed by the commissioner and state that the vehicle will be used exclusively for a purpose authorized by this section.

(d) All other motor vehicles shall be registered and display tax exempt number plates which shall be furnished by the registrar at cost, except as provided in subdivision 1c. All vehicles required to display tax exempt number plates shall have the name of the state department or public subdivision on the vehicle plainly displayed on both sides thereof in letters not less than 2½ inches high and one-half inch wide; except that each state hospital and institution for the mentally ill and mentally retarded may have one vehicle without the required identification on the sides of the vehicle. Such identification shall be in a color giving contrast with that of the part of the vehicle on which it is placed and shall endure throughout the term of the registration. The identification must not be on a removable plate or placard and shall be kept clean and visible at all times; except that a removable plate or placard may be utilized on vehicles leased or loaned to a political subdivision.

Sec. 3. Minnesota Statutes 1988, section 168.012, subdivision 3a, is amended to read:

Subd. 3a. [SPECIAL HANDICAPPED PERMITS.] Motorized golf carts and four-wheel all-terrain vehicles operated under permit and on roadways designated pursuant to section 169.045 are exempt from the provisions of this chapter.

Sec. 4. Minnesota Statutes 1988, section 168.021, is amended to read:

168.021 [LICENSE PLATES FOR PHYSICALLY HANDICAPPED DISABLED PERSONS.]

Subdivision 1. [SPECIAL PLATES; APPLICATION FOR ISSUANCE.] When a motor vehicle registered under section 168.017, or a self-propelled recreational vehicle, van, or pickup truck, is owned or primarily operated by a permanently physically handicapped disabled person, the owner may apply for and secure from the

registrar of motor vehicles two license plates with attached emblems, one plate to be attached to the front, and one to the rear of the vehicle. A physically disabled person who is furnished a motor vehicle by an employer for use as part of the persons's employment may apply for and secure a second set of such plates for that motor vehicle. Application for the plates must be made at the time of renewal or first application for registration and must be accompanied by verification of employment and employer's consent. When the owner first applies for the plates, the owner must submit a physician's statement on a form developed by the commissioner under section 169.345, or proof of physical disability provided for in that section.

Subd. 1a. [SCOPE OF PRIVILEGE.] If a physically handicapped disabled person parks a vehicle displaying license plates described in this section or any person parks the vehicle for a physically handicapped disabled person, that person shall be entitled to park the vehicle as provided in section 169.345.

Subd. 2. [DESIGN OF PLATES; FURNISHING BY REGISTRAR.] The registrar of motor vehicles shall design and furnish two license number plates with attached emblems to each eligible owner. The emblem must bear the internationally accepted wheelchair symbol, as designated in section 16B.61, subdivision 5, approximately three inches square. The emblem must be large enough to be visible plainly from a distance of 50 feet. An applicant eligible for the special plates shall pay the motor vehicle registration fee authorized by law less a credit of \$1 for each month registered.

Subd. 2a. [PLATE RETURNS, TRANSFERS.] (a) When vehicle ownership is transferred, the owner of the vehicle shall remove the special plates from the vehicle and return them to the registrar. The buyer of the vehicle shall repay the \$1 credit for each month remaining in the registration period for which the special plates were issued. When the plates have been returned by the owner and the buyer has repaid the remaining credit, the buyer is entitled to receive regular plates for the vehicle without further cost for the rest of the registration period.

(b) Notwithstanding section 168.12, subdivision 1, or 168.021, subdivision 20, the special plates may be transferred to a replacement motor vehicle on notification to the registrar. However, the special plates may not be transferred unless the replacement motor vehicle (1) is registered under section 168.017 or is a self-propelled recreational vehicle, van, or pickup truck, and (2) is owned or primarily operated by the permanently physically disabled person.

(c) The transferor shall not receive the \$1 credit for each month the replacement vehicle is registered until the time of renewal or first application for registration on the replacement vehicle.

Subd. 2b. [WHEN NOT ELIGIBLE.] On becoming ineligible for the special plates, the owner of the vehicle shall remove the special plates and return them to the registrar. The owner shall repay the \$1 credit for each month remaining in the registration period for which the special plates were issued. On returning the plates and repaying the remaining credit, the owner may receive regular plates for the vehicle without further cost for the rest of the registration period.

Subd. 3. [PENALTIES FOR UNAUTHORIZED USE OF PLATES.] A person who uses the plates provided under this section on a motor vehicle in violation of this section is guilty of a misdemeanor, and is subject to a fine of \$500. This subdivision does not preclude a person who is not physically handicapped disabled from operating a vehicle bearing the plates if the person is the owner of the vehicle and permits its operation by a physically handicapped disabled person, or if the person operates the vehicle with the consent of the owner who is physically handicapped disabled. A driver who is not handicapped disabled is not entitled to the parking privileges provided in this section and in section 169.346 unless parking the vehicle for a physically handicapped disabled person.

Subd. 4. [FEES; DISPOSITION:] All fees collected from the sale of plates under this section shall be deposited in the state treasury to the credit of the highway user tax distribution fund.

Subd. 5. [DEFINITIONS.] For the purposes of this section, the term "physically handicapped disabled person" has the meaning given it in section 169.345.

Subd. 6. [DRIVER'S LICENSE LAW NOT AFFECTED.] Nothing in this section shall be construed to revoke, limit, or amend chapter 171.

Sec. 5. Minnesota Statutes 1988, section 168.12, subdivision 2a, is amended to read:

Subd. 2a. [PERSONALIZED LICENSE PLATES.] Personalized license plates must be issued to an applicant for registration of a passenger automobile, van, or pickup truck, motorcycle, or self-propelled recreational vehicle, upon compliance with the laws of this state relating to registration of the vehicle and upon payment of a one-time fee of \$100 in addition to the registration tax required by law for the vehicle. The ~~commissioner~~ registrar shall designate a replacement fee for personalized license plates that is calculated to cover the cost of replacement. This fee must be paid by the applicant whenever the law requires the personalized license plates are required to be replaced by law. In lieu of the numbers assigned as provided in subdivision 1, personalized license plates must have imprinted on them a series of not more than ~~six~~ seven numbers and letters in any combination in the case of a passenger automobile,

van, pickup truck, or self-propelled recreational vehicle, or six numbers and letters in any combination in the case of a motorcycle. When an applicant has once obtained personalized plates, the applicant shall have a prior claim for similar personalized plates in the next succeeding year that plates are issued if application is made for them at least 30 days before the first date that registration can be renewed. The commissioner of public safety shall adopt rules in the manner provided by chapter 14, regulating the issuance and transfer of personalized license plates. No words or combination of letters placed on personalized license plates may be used for commercial advertising, be of an obscene, indecent, or immoral nature, or be of a nature that would offend public morals or decency. The call signals or letters of a radio or television station are not commercial advertising for the purposes of this subdivision.

Notwithstanding the provisions of subdivision 1, personalized license plates issued under this subdivision may be transferred to another motor vehicle owned or jointly owned by the applicant, upon the payment of a fee of \$5, which must be paid into the state treasury and credited to the highway user tax distribution fund. The registrar may by rule provide a form for notification.

Notwithstanding any law to the contrary, if the personalized license plates are lost, stolen, or destroyed, the applicant may apply and shall receive duplicate license plates bearing the same combination of letters and numbers as the former personalized plates upon the payment of a \$5 fee.

Fees from the sale of permanent and duplicate personalized license plates must be paid into the state treasury and credited to the highway user tax distribution fund.

Sec. 6. Minnesota Statutes 1988, section 168.123, subdivision 1, is amended to read:

Subdivision 1. [GENERAL REQUIREMENTS; FEES.] The registrar shall issue special license plates to an applicant who served in the active military service in a branch of the armed forces of the United States, was discharged under honorable conditions, and is an owner or joint owner of a motor vehicle included within the definition of a passenger automobile or which is self-propelled recreational equipment, on payment of a fee of \$10 for each set of two plates, payment of the registration tax required by law, and compliance with other laws relating to registration and licensing of motor vehicles and drivers. The additional fee of \$10 is payable for each set of plates, is payable only when the plates are issued, and is not payable in a year in which tabs or stickers are issued instead of number plates. An applicant must not be issued more than two sets of plates for vehicles owned or jointly owned by the applicant.

The veteran shall have a certified copy of the veteran's discharge papers, indicating character of discharge, at the time of application.

Sec. 7. Minnesota Statutes 1988, section 168.125, subdivision 1, is amended to read:

Subdivision 1. [ISSUANCE AND DESIGN.] The registrar shall issue special license plates bearing the inscription "EX-POW" to any applicant who is both a former prisoner of war and an owner or joint owner of a motor vehicle upon the applicant's compliance with all the laws of this state relating to the registration and licensing of motor vehicles and drivers. The special license plates shall be of a design and size to be determined by the commissioner. Plates bearing the "EX-POW" inscription may be issued for only one motor vehicle per applicant.

Application for issuance of these plates shall be made at the time of renewal or first application for registration. The application shall include a certification by the commissioner of veterans affairs that the applicant was a member of the military forces of the United States who was captured, separated, and incarcerated by an enemy of the United States during a period of armed conflict.

The applicant shall pay, in addition to the registration tax required by law, a fee for the special license plates issued under this section, in an amount calculated by the commissioner to cover the cost of the license plates. The additional fee is payable only when the plates are issued and no additional fee is payable in any year in which tabs or stickers are issued in lieu of number plates. All fees from the sale of the special license plates shall be paid into the state treasury and credited to the highway user tax distribution fund.

Notwithstanding the provisions of section 168.12, subdivision 1, the special license plates issued under this section may be transferred to another motor vehicle owned or jointly owned by the former prisoner of war upon the payment of a fee of \$5. This fee shall be paid into the state treasury and credited to the highway user tax distribution fund.

Upon the death of a former prisoner of war, the registrar shall continue to issue, upon renewal, the special license plates to a vehicle owned by the surviving spouse of the former prisoner of war. Special license plates issued to a surviving spouse may be transferred to another vehicle owned by the surviving spouse as provided in this subdivision. If the surviving spouse remarries, the "EX-POW" plates must be removed from the vehicle within 30 days but the surviving spouse is not required to surrender the plates to the registrar.

For purposes of this section, "motor vehicle" means a passenger

automobile, station wagon, pickup truck, motorcycle, or recreational vehicle.

Sec. 8. Minnesota Statutes 1988, section 168.125, subdivision 2, is amended to read:

Subd. 2. [SPECIAL PLATES; EX-POW AND HANDICAPPED DISABILITY INSIGNIA.] The registrar shall issue special license plates bearing both the "EX-POW" and handicapped disability insignia to any applicant who is entitled to the special license plates provided under this section and who is also entitled to special license plates for the physically handicapped disabled under section 168.021 upon compliance with the provisions of both sections. The special license plates shall be of a design and size to be determined by the commissioner.

Sec. 9. Minnesota Statutes 1988, section 168.27, subdivision 2, is amended to read:

Subd. 2. [NEW MOTOR VEHICLE DEALER.] (a) No person shall engage in the business of selling new motor vehicles or shall offer to sell, solicit, or advertise the sale of new motor vehicles without first acquiring a new motor vehicle dealer license. A new motor vehicle dealer licensee shall be entitled thereunder to sell, broker, wholesale, or auction and to solicit and advertise the sale, broker, wholesale, or auction of new motor vehicles covered by the franchise and any used motor vehicles or to lease and to solicit and advertise the lease of new motor vehicles and any used motor vehicles and such sales or leases may be either for consumer use at retail or for resale to a dealer. A new motor vehicle dealer may engage in the business of buying or otherwise acquiring vehicles for dismantling the vehicles and selling used parts and remaining scrap materials under chapter 168A, except that a new motor vehicle dealer may not purchase a junked vehicle from a salvage pool, insurance company, or its agent unless the dealer is also licensed as a used vehicle parts dealer. Nothing herein shall be construed to require an applicant for a dealer license who proposes to deal in: (1) new and unused motor vehicle bodies; or (2) type A, B, or C motor homes as defined in section 168.011, subdivision 25, to have a bona fide contract or franchise in effect with either the first-stage manufacturer of the motor home or the manufacturer or distributor of any motor vehicle chassis upon which the new and unused motor vehicle body is mounted. The modification or conversion of a new van-type vehicle into a multipurpose passenger vehicle which is not a motor home does not constitute dealing in new or unused motor vehicle bodies, and a person engaged in the business of selling these van-type vehicles must have a bona fide contract or franchise with the appropriate manufacturer under subdivision 10. A van converter or modifier who owns these modified or converted van-type vehicles may sell them at wholesale to new motor vehicle dealers having a

bona fide contract or franchise with the first-stage manufacturer of the vehicles.

(b) The requirements pertaining to franchises do not apply to persons who remodel or convert motor vehicles for medical purposes. For purposes of this subdivision, "medical purpose" means certification by a licensed physician that remodeling or conversion of a motor vehicle is necessary to enable a handicapped disabled person to use the vehicle.

Sec. 10. Minnesota Statutes 1988, section 169.01, subdivision 24a, is amended to read:

Subd. 24a. [WHEELCHAIR.] For the purposes of this chapter "wheelchair" is defined to include any manual or motorized wheelchair, scooter, tricycle, or similar device used by a handicapped disabled person as a substitute for walking.

Sec. 11. Minnesota Statutes 1988, section 169.215, is amended to read:

Subdivision 1. [DESIGNATION OF CROSSINGS.] Local authorities may designate a senior citizen or handicapped crossing for senior citizens or disabled persons on any street or highway in the vicinity of a senior citizen housing project, senior citizen nursing home, or residential care facility for handicapped disabled persons on the basis of an engineering and traffic investigation prescribed by the commissioner and subject to the uniform specifications adopted pursuant to subdivision 2. Designation of a senior citizen or handicapped crossing for senior citizens or disabled persons on a trunk highway is subject to the written consent of the commissioner.

Subd. 2. [UNIFORM SPECIFICATIONS.] The commissioner shall adopt uniform specifications for senior citizen or handicapped crossings for senior citizens or disabled persons. The specifications shall include criteria for determining the need for a crossing and the type and design of traffic control devices or signals that may be used at the crossing. The specifications shall be incorporated as a part of the manual of uniform traffic control devices required pursuant to section 169.06.

Sec. 12. Minnesota Statutes 1988, section 169.345, is amended to read:

169.345 [PARKING PRIVILEGES FOR PHYSICALLY HANDICAPPED DISABLED.]

Subdivision 1. [SCOPE OF PRIVILEGE.] A vehicle that prominently displays the certificate authorized by this section, or bears

license plates issued under section 168.021, may be parked by or for a physically handicapped disabled person:

(1) in a designated handicapped parking space for disabled persons, as provided in section 169.346; and

(2) in a metered parking space without obligation to pay the meter fee.

For purposes of this subdivision, a certificate is prominently displayed if it is displayed on the dashboard in the left-hand corner of the front windshield of the vehicle with no part of the certificate obscured.

Notwithstanding clauses (1) and (2), this section does not permit parking in areas prohibited by sections 169.32 and 169.34, in designated no parking spaces, or in parking spaces reserved for specified purposes or vehicles. A local governmental unit may, by ordinance, prohibit parking on any street or highway to create a fire lane, or to accommodate heavy traffic during morning and afternoon rush hours and these ordinances also apply to physically handicapped disabled persons.

Subd. 2. [DEFINITIONS.] For the purpose of this section, "physically handicapped disabled person" means a person who:

(1) because of disability cannot walk without significant risk of falling;

(2) because of disability cannot walk 200 feet without stopping to rest;

(3) because of disability cannot walk without the aid of another person, a walker, a cane, crutches, braces, a prosthetic device, or a wheelchair;

(4) is restricted by a respiratory disease to such an extent that the person's forced (respiratory) expiratory volume for one second, when measured by spirometry, is less than one meter;

(5) has an arterial oxygen tension (PAO2) of less than 60 mm/hg on room air at rest;

(6) uses portable oxygen; or

(7) has a cardiac condition to the extent that the person's functional limitations are classified in severity as class III or class IV according to standards set by the American Heart Association; or

(8) has a condition that would be aggravated to such an extent that walking 200 feet would be life threatening.

Subd. 2a. [PHYSICIAN'S OR CHIROPRACTOR'S STATEMENT.] The commissioner shall develop a form for the physician's or chiropractor's statement. The statement must be signed by a licensed physician or chiropractor who certifies that the applicant is a physically handicapped disabled person as defined in subdivision 2. The commissioner may request additional information from the physician or chiropractor if needed to verify the applicant's eligibility. The statement that the applicant is a physically handicapped disabled person must specify whether the disability is permanent or temporary, and if temporary, the opinion of the physician or chiropractor as to the duration of the disability. A physician or chiropractor who fraudulently certifies to the commissioner that a person is a physically handicapped disabled person as defined in subdivision 2, and that the person is entitled to the license plates authorized by section 168.021 or to the certificate authorized by this section, is guilty of a misdemeanor and is subject to a fine of \$500. The commissioner may accept, from an applicant who obtained the original certificate by submitting a physician's or chiropractor's statement and whose physical disability can be clearly shown by a photograph, a current photograph of the applicant instead of a new physician's or chiropractor's statement.

Subd. 3. [IDENTIFYING CERTIFICATE.] (a) The division of driver and vehicle services in the department of public safety shall issue a special identifying certificate for a motor vehicle when a physically handicapped disabled applicant submits a statement of a physician or chiropractor proof of physical disability under subdivision 2a. The commissioner shall design separate certificates for persons with permanent and temporary disabilities that can be readily distinguished from each other from outside a vehicle at a distance of 25 feet. The certificate is valid for the duration of the person's disability, as specified in the physician's or chiropractor's statement, up to a maximum of six years. A person with a disability of longer duration will be required to renew the certificate for additional periods of time, up to six years each, as specified in the physician's or chiropractor's statement.

(b) When the commissioner is satisfied that a motor vehicle is used primarily for the purpose of transporting physically handicapped disabled persons, the division may issue without charge a special identifying certificate for the vehicle. The operator of a vehicle displaying the certificate has the parking privileges provided in subdivision 1 while the vehicle is in use for transporting physically handicapped disabled persons. The certificate issued to a person transporting physically handicapped disabled persons must be renewed every third year. On application and renewal, the person must present evidence that the vehicle continues to be used for transporting physically handicapped disabled persons.

(c) A certificate must be made of plastic or similar durable material, must be distinct from certificates issued before January 1, 1988, and must bear its expiration date prominently on its face. A certificate issued to a temporarily disabled person must display the date of expiration of the duration of the disability, as determined under paragraph (a). Each certificate must have printed on the back a summary of the parking privileges and restrictions that apply to each vehicle in which it is used. The commissioner may charge a fee of \$5 for issuance or renewal of a certificate, and a fee of \$5 for a duplicate to replace a lost, stolen, or damaged certificate.

Subd. 4. [UNAUTHORIZED USE; REVOCATION; PENALTY.] If a peace officer finds that the certificate is being improperly used, the officer shall report the violation to the division of driver and vehicle services in the department of public safety and the commissioner of public safety may revoke the certificate. A person who uses the certificate in violation of this section is guilty of a misdemeanor and is subject to a fine of \$500.

Sec. 13. Minnesota Statutes 1988, section 169.346, is amended to read:

169.346 [PARKING FOR PHYSICALLY HANDICAPPED DISABLED; PROHIBITIONS; PENALTIES.]

Subdivision 1. [PARKING CRITERIA.] A person shall not:

(1) park a motor vehicle in or obstruct access to a parking space designated and reserved for the physically handicapped disabled, on either private or public property;

(2) park a motor vehicle in or obstruct access to an area designated by a local governmental unit as a handicapped transfer zone for disabled persons; or

(3) exercise the parking privilege provided in section 169.345, unless:

(i) that person is a physically handicapped disabled person as defined in section 169.345, subdivision 2, or the person is transporting or parking a vehicle for a physically handicapped disabled person; and

(ii) the vehicle visibly displays one of the following: a license plate issued under section 168.021, a certificate issued under section 169.345, or an equivalent certificate, insignia, or license plate issued by another state or one of its political subdivisions.

Subd. 2. [SIGNS; PARKING SPACES TO BE FREE OF OBSTRUCTIONS.] (a) Handicapped Parking spaces for physically

disabled persons must be designated and identified by the posting of signs incorporating the international symbol of access in white on blue and indicating that the parking space is reserved for handicapped disabled persons with vehicles displaying the required certificate, license plates, or insignia. A sign posted for the purpose of this section must be visible from inside a vehicle parked in the space, be kept clear of snow or other obstructions which block its visibility, and be nonmovable or only movable by authorized persons.

(b) The owner or manager of the property on which the designated parking space is located shall ensure that the space is kept free of obstruction. If the owner or manager allows the space to be blocked by snow, merchandise, or similar obstructions for 24 hours after receiving a warning from a peace officer, the owner or manager is guilty of a misdemeanor and subject to a fine of up to \$500.

Subd. 3. [PENALTY.] A person who violates subdivision 1 is guilty of a misdemeanor and shall be fined not less than \$100 or more than \$200. This subdivision shall be enforced in the same manner as parking ordinances or regulations in the governmental subdivision in which the violation occurs. Law enforcement officers have the authority to tag vehicles parked on either private or public property in violation of subdivision 1. A physically handicapped disabled person, or a person parking a vehicle for a handicapped disabled person, who is charged with violating subdivision 1 because the person parked in a handicapped parking space for physically disabled persons without the required certificate or license plates shall not be convicted if the person produces in court or before the court appearance the required certificate or evidence that the person has been issued license plates under section 168.021, and demonstrates entitlement to the certificate or plates at the time of arrest or tagging.

Sec. 14. [REPEALER.]

Minnesota Statutes 1988, section 168.12, subdivisions 3 and 4; and Laws 1988, chapter 636, section 3, are repealed.

Sec. 15. [EFFECTIVE DATE.]

Section 7 is effective the day following final enactment."

Delete the title and insert:

"A bill for an act relating to motor vehicles; providing for special license plates for disabled persons, veterans, and surviving spouses of former POWs; amending Minnesota Statutes 1988, sections 168.011, subdivision 4; 168.012, subdivisions 1 and 3a; 168.021; 168.12, subdivision 2a; 168.123, subdivision 1; 168.125, subdivisions 1 and 2; 168.27, subdivision 2; 169.01, subdivision 24a; 169.215;

169.345; and 169.346; repealing Minnesota Statutes 1988, section 168.12, subdivisions 3 and 4; Laws 1988, chapter 636, section 3.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 949, A bill for an act relating to traffic safety; increasing penalties for persons convicted of DWI after a previous conviction for criminal vehicular operation; amending Minnesota Statutes 1988, section 169.121, subdivision 3.

Reported the same back with the following amendments:

Page 2, line 3, after the second semicolon insert “361.12, subdivision 1, paragraph (a);”

Page 2, line 5, after the second semicolon insert “609.21, subdivision 4, clause (2) or (3);”

Amend the title as follows:

Page 1, line 4, before the semicolon insert “or for another impaired driving crime”

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 981, A bill for an act relating to juvenile justice; requiring reasonable efforts to prevent placement of children in need of protection or services proceedings; amending duty of juvenile court to ensure placement prevention and family reunification; defining reasonable efforts; clarifying definitions, jurisdiction, and services for Indian children; requiring preference for racial or ethnic heritage for appointment of guardian ad litem; requiring consideration of reasonable efforts in factors determining neglect; requiring that a child be in imminent danger for detention; permitting social services to release for detention; requiring finding of reasonable efforts at detention; and imposing requirements for disposition case plans; amending Minnesota Statutes 1988, sections 260.012; 260.015, subdivisions 11, 13, 14, and by adding subdivisions; 260.111, by adding a subdivision; 260.135, subdivision 2; 260.141;

260.155, subdivisions 4 and 7; 260.165, subdivision 1; 260.171, subdivision 1; 260.172, subdivisions 1 and 4; 260.173, subdivision 2; 260.181, subdivision 2; and 260.191, subdivisions 1a and 1e.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. Minnesota Statutes 1988, section 260.012, is amended to read:

260.012 [DUTY OF JUVENILE COURT TO ENSURE PLACEMENT PREVENTION AND FAMILY REUNIFICATION; REASONABLE EFFORTS.]

If a child in need of protection or services is under the court's dependency or neglect jurisdiction, the court shall ensure that reasonable efforts including culturally appropriate services by the social service agency are made to prevent placement or to eliminate the need for removal and to reunite the child with the child's family at the earliest possible time, consistent with the best interests, safety, and protection of the child. In the case of an Indian child, in proceedings under sections 260.172, 260.191, and 260.221, the juvenile court must make findings and conclusions consistent with the Indian Child Welfare Act of 1978, United States Code, title 25, section 1901 et seq., as to the provision of active efforts. If a child is under the court's delinquency jurisdiction, it shall be the duty of the court to ensure that reasonable efforts are made to reunite the child with the child's family at the earliest possible time, consistent with the best interests of the child and the safety of the public.

“Reasonable efforts” means the exercise of due diligence by the responsible social service agency to use appropriate and available services to meet the needs of the child and the child's family in order to prevent removal of the child from the child's family; or upon removal, services to eliminate the need for removal and reunite the family. Services may include those listed under section 256F.07, subdivision 3, and other appropriate services available in the community. The social service agency has the burden of demonstrating that it has made reasonable efforts.

The juvenile court, in proceedings under sections 260.172, 260.191, and 260.221 shall make findings and conclusions as to the provision of reasonable efforts. When determining whether reasonable efforts have been made, the court shall consider whether services to the child and family were:

- (1) relevant to the safety and protection of the child;
- (2) adequate to meet the needs of the child and family;

- (3) culturally appropriate;
- (4) available and accessible;
- (5) consistent and timely; and
- (6) realistic under the circumstances.

Sec. 2. Minnesota Statutes 1988, section 260.015, is amended by adding a subdivision to read:

Subd. 1a. "Agency" means the local social service agency or a licensed child placing agency.

Sec. 3. Minnesota Statutes 1988, section 260.015, subdivision 11, is amended to read:

Subd. 11. "Parent" means the natural or adoptive parent of a minor. For an Indian child, parent includes any Indian person who has adopted a child by tribal law or custom, as provided in section 257.351, subdivision 11.

Sec. 4. Minnesota Statutes 1988, section 260.015, subdivision 13, is amended to read:

Subd. 13. "Relative" means a parent, stepparent, grandparent, brother, sister, uncle, or aunt of the minor. This relationship may be by blood or marriage. For an Indian child, relative includes members of the extended family as defined by the law or custom of the Indian child's tribe or, in the absence of laws or custom, nieces, nephews, or first or second cousins as provided in the Indian Child Welfare Act of 1978, United States Code, title 25, section 1903. For purposes of dispositions, relative has the meaning given it in section 260.181, subdivision 3.

Sec. 5. Minnesota Statutes 1988, section 260.015, subdivision 14, is amended to read:

Subd. 14. "Custodian" means any person who is under a legal obligation to provide care and support for a minor or who is in fact providing care and support for a minor. For an Indian child, custodian means any Indian person who has legal custody of an Indian child under tribal law or custom or under state law or to whom temporary physical care, custody, and control has been transferred by the parent of the child, as provided in section 257.351, subdivision 8.

Sec. 6. Minnesota Statutes 1988, section 260.015, is amended by adding a subdivision to read:

Subd. 26. [INDIAN.] "Indian," consistent with section 257.351, subdivision 5, means a person who is a member of an Indian tribe or who is an Alaskan native and a member of a regional corporation as defined in section 7 of the Alaska Native Claims Settlement Act, United States Code, title 43, section 1606.

Sec. 7. Minnesota Statutes 1988, section 260.015, is amended by adding a subdivision to read:

Subd. 27. [INDIAN CHILD.] "Indian child," consistent with section 257.351, subdivision 6, means an unmarried person who is under age 18 and is:

- (1) a member of an Indian tribe; or
- (2) eligible for membership in an Indian tribe.

Sec. 8. Minnesota Statutes 1988, section 260.111, is amended by adding a subdivision to read:

Subd. 5. [JURISDICTION OVER INDIAN CHILDREN.] In a child in need of protection or services proceeding, when an Indian child is a ward of a tribal court with federally recognized child welfare jurisdiction, the Indian tribe retains exclusive jurisdiction notwithstanding the residence or domicile of an Indian child, as provided in the Indian Child Welfare Act of 1978, United States Code, title 25, section 1911.

Sec. 9. Minnesota Statutes 1988, section 260.135, subdivision 2, is amended to read:

Subd. 2. The court shall have notice of the pendency of the case and of the time and place of the hearing served upon a parent, guardian, or spouse of the child, who has not been summoned as provided in subdivision 1. For an Indian child, notice of all proceedings must comply with the Indian Child Welfare Act of 1978, United States Code, title 25, section 1901, et seq., and section 257.353.

Sec. 10. Minnesota Statutes 1988, section 260.141, is amended by adding a subdivision to read:

Subd. 2a. In any proceeding regarding a child in need of protection or services in a state court where the court knows or has reason to know that an Indian child is involved, the prosecuting authority seeking the foster care placement of, or termination of parental rights to an Indian child, shall notify the parent or Indian custodian and the Indian child's tribe of the pending proceedings and of their right of intervention. Unless personal service is accomplished, the notices required under this subdivision shall be made by registered mail with return receipt requested. If the identity or location of the

parent or Indian custodian and the tribe cannot be determined, the notices shall be given to the Secretary of the Interior of the United States in like manner, according to the Indian Child Welfare Act of 1978, United States Code, title 25, section 1912. No foster care placement proceeding or termination of parental rights proceeding shall be held until at least ten days after receipt of notice by the parent or Indian custodian and the tribe or the Secretary. However, the parent or Indian custodian or the tribe shall, upon request, be granted up to 20 additional days to prepare for the proceeding.

Sec. 11. Minnesota Statutes 1988, section 260.155, subdivision 1a, is amended to read:

Subd. 1a. [RIGHT TO PARTICIPATE IN PROCEEDINGS.] A child who is the subject of a petition, and the parents, guardian, or lawful custodian of the child have the right to participate in all proceedings on a petition. Any grandparent of the child has a right to participate in the proceedings to the same extent as a parent, if the child has lived with the grandparent within the two years preceding the filing of the petition, may ask the court for the right to participate in the proceedings. In determining whether and to what extent the grandparent should participate, the court shall consider the best interests of the child. A grandparent who is entitled to notice but who is not given the right to participate shall still have the right to be present at the hearing, subject to subdivision 5. At the first hearing following the filing of a petition, the court shall ask whether the child has lived with a grandparent within the last two years, except that the court need not make this inquiry if the petition states that the child did not live with a grandparent during this time period. Failure to notify a grandparent of the proceedings is not a jurisdictional defect.

Sec. 12. Minnesota Statutes 1988, section 260.155, subdivision 4, is amended to read:

Subd. 4. [GUARDIAN AD LITEM.] (a) The court shall appoint a guardian ad litem to protect the interests of the minor when it appears, at any stage of the proceedings, that the minor is without a parent or guardian, or that the minor's parent is a minor or incompetent, or that the parent or guardian is indifferent or hostile to the minor's interests, and in every proceeding alleging a child's need for protection or services under section 260.015, subdivision 2a, clauses (1) to (10). In any other case the court may appoint a guardian ad litem to protect the interests of the minor when the court feels that such an appointment is desirable. The court shall appoint the guardian ad litem on its own motion or in the manner provided for the appointment of a guardian ad litem in the district court.

(b) The court may waive the appointment of a guardian ad litem pursuant to clause (a), whenever counsel has been appointed pursu-

ant to subdivision 2 or is retained otherwise, and the court is satisfied that the interests of the minor are protected.

(c) In appointing a guardian ad litem pursuant to clause (a), the court shall not appoint the party, or any agent or employee thereof, filing a petition pursuant to section 260.131.

(d) The following factors shall be considered if a guardian ad litem is appointed in a case involving an Indian or minority child:

(1) whether a person is available who is the same racial or ethnic heritage as the child or, if that is not possible,

(2) whether a person is available who knows and appreciates the child's racial or ethnic heritage.

Sec. 13. Minnesota Statutes 1988, section 260.155, subdivision 7, is amended to read:

Subd. 7. [FACTORS IN DETERMINING NEGLECT.] In determining whether a child is neglected and in foster care, the court shall consider, among other factors, the following:

(1) the length of time the child has been in foster care;

(2) the effort the parent has made to adjust circumstances, conduct, or condition that necessitates the removal of the child to make it in the child's best interest to be returned to the parent's home in the foreseeable future, including the use of rehabilitative services offered to the parent;

(3) whether the parent has visited the child within the three months preceding the filing of the petition, unless extreme financial or physical hardship or treatment for mental disability or chemical dependency or other good cause prevented the parent from visiting the child or it was not in the best interests of the child to be visited by the parent;

(4) the maintenance of regular contact or communication with the agency or person temporarily responsible for the child;

(5) the appropriateness and adequacy of services provided or offered to the parent to facilitate a reunion;

(6) whether additional services would be likely to bring about lasting parental adjustment enabling a return of the child to the parent within an ascertainable period of time, whether the services have been offered to the parent or, if services were not offered, the reasons they were not offered; and

(7) the nature of the effort efforts made by the responsible social service agency to rehabilitate and reunite the family, and whether the efforts were reasonable.

Sec. 14. Minnesota Statutes 1988, section 260.165, subdivision 1, is amended to read:

Subdivision 1. No child may be taken into immediate custody except:

(a) With an order issued by the court in accordance with the provisions of section 260.135, subdivision 5, or by a warrant issued in accordance with the provisions of section 260.145; or

(b) In accordance with the laws relating to arrests; or

(c) By a peace officer

(1) when a child has run away from a parent, guardian, or custodian, or when the peace officer reasonably believes such child has run away from a parent, guardian, or custodian; or

(2) when a child is found in surroundings or conditions which endanger the child's health or welfare or which such peace officer reasonably believes will endanger such the child's health or welfare. If an Indian child is a resident of a reservation or is domiciled on a reservation but temporarily located off the reservation, the taking of the child into custody under this clause shall be consistent with the Indian Child Welfare Act of 1978, United States Code, title 25, section 1922; or

(d) By a peace officer or probation or parole officer when it is reasonably believed that the child has violated the terms of probation, parole, or other field supervision.

Sec. 15. Minnesota Statutes 1988, section 260.171, subdivision 1, is amended to read:

Subdivision 1. If a child is taken into custody as provided in section 260.165, the parent, guardian, or custodian of the child shall be notified as soon as possible. Unless there is reason to believe that the child would endanger self or others, not return for a court hearing, run away from the child's parent, guardian, or custodian or otherwise not remain in the care or control of the person to whose lawful custody the child is released, or that the child's health or welfare would be immediately endangered, the child shall be released to the custody of a parent, guardian, custodian, or other suitable person. When a child is taken into custody by a peace officer under section 260.165, subdivision 1, clause (c)(2), release from detention may be authorized by the detaining officer, the detaining

officer's supervisor, or the county attorney. If the social service agency has determined that the child's health or welfare will not be endangered and the provision of appropriate and available services will eliminate the need for placement, the agency shall request authorization for the child's release from detention. That The person to whom the child is released shall promise to bring the child to the court, if necessary, at the time the court may direct. If the person taking the child into custody believes it desirable, that person may request the parent, guardian, custodian, or other person designated by the court to sign a written promise to bring the child to court as provided above. The intentional violation of such a promise, whether given orally or in writing, shall be punishable as contempt of court.

The court may require the parent, guardian, custodian, or other person to whom the child is released, to post any reasonable bail or bond required by the court which shall be forfeited to the court if the child does not appear as directed. The court may also release the child on the child's own promise to appear in juvenile court.

Sec. 16. Minnesota Statutes 1988, section 260.172, subdivision 1, is amended to read:

Subdivision 1. Except a child taken into custody pursuant to section 260.165, subdivision 1, clause (a) or (c)(2), a hearing shall be held within 36 hours of a child's being taken into custody, excluding Saturdays, Sundays, and holidays, to determine whether the child should continue in detention. Within 72 hours of a child being taken into custody pursuant to section 260.165, subdivision 1, clause (a) or (c)(2), excluding Saturdays, Sundays, and holidays, a hearing shall be held to determine whether the child should continue in custody. Unless there is reason to believe that the child would endanger self or others, not return for a court hearing, run away from the child's parent, guardian, or custodian or otherwise not remain in the care or control of the person to whose lawful custody the child is released, or that the child's health or welfare would be immediately endangered, the child shall be released to the custody of a parent, guardian, custodian, or other suitable person. In a proceeding regarding a child in need of protection or services, the court, before determining whether a child should continue in custody, shall also make a determination, consistent with section 260.012, as to whether reasonable efforts, or in the case of an Indian child, active efforts, according to the Indian Child Welfare Act of 1978, United States Code, title 25, section 1912(d), were made to prevent placement or to reunite the child with the child's family, or that reasonable efforts were not possible. The court shall also determine whether there are available services that would prevent the need for further detention.

If the court finds the social services agency's preventive or reunification efforts have not been reasonable but further preventive or reunification efforts could not permit the child to safely

remain at home, the court may nevertheless authorize or continue the removal of the child.

Sec. 17. Minnesota Statutes 1988, section 260.172, subdivision 4, is amended to read:

Subd. 4. If a child held in detention under a court order issued under subdivision 2 has not been released prior to expiration of the order, the court or referee shall informally review the child's case file to determine, under the standards provided by subdivision 1, whether detention should be continued. If detention is continued thereafter, informal reviews such as these shall be held within every eight days, excluding Saturdays, Sundays and holidays, of the child's detention.

A hearing, rather than an informal review of the child's case file, shall be held at the request of any one of the parties notified pursuant to subdivision 3, if that party notifies the court of a wish to present to the court new evidence concerning whether the child should be continued in detention or notifies the court of a wish to present an alternate placement arrangement to provide for the safety and protection of the child.

In addition, if a child was taken into detention under section 260.135, subdivision 5, or 260.165, subdivision 1, clause (c)(2), and is held in detention under a court order issued under subdivision 2, the court shall schedule and hold an adjudicatory hearing on the petition within 60 days of the detention hearing upon the request of any party to the proceeding unless. However, if good cause is shown by a party to the proceeding why the hearing should not be held within that time period, the hearing shall be held within 90 days, unless the parties agree otherwise and the court so orders.

Sec. 18. Minnesota Statutes 1988, section 260.173, subdivision 2, is amended to read:

Subd. 2. Notwithstanding the provisions of subdivision 1, if the child had been taken into custody pursuant to section 260.165, subdivision 1, clause (a), or had been found in surroundings or conditions reasonably believed to endanger the child's health or welfare, and is not alleged to be delinquent, the child ~~may~~ shall be detained only in the least restrictive setting consistent with the child's health and welfare and in closest proximity to the child's family as possible. Placement may be with a child's relative, or in a shelter care facility.

Sec. 19. Minnesota Statutes 1988, section 260.181, subdivision 2, is amended to read:

Subd. 2. [CONSIDERATION OF REPORTS.] Before making a

disposition in a case, or terminating parental rights, or appointing a guardian for a child the court may consider any report or recommendation made by the county welfare board, probation officer, ~~or~~ licensed child placing agency, foster parent, guardian ad litem, tribal representative, or other authorized advocate for the child or child's family, or any other information deemed material by the court.

Sec. 20. Minnesota Statutes 1988, section 260.191, subdivision 1a, is amended to read:

Subd. 1a. [WRITTEN FINDINGS.] Any order for a disposition authorized under this section shall contain written findings of fact to support the disposition ordered, and shall also set forth in writing the following information:

(a) Why the best interests of the child are served by the disposition ordered;

(b) What alternative dispositions were considered by the court and why such dispositions were not appropriate in the instant case; ~~and~~

(c) In the case of a child of minority racial or minority ethnic heritage, how the court's disposition complies with the requirements of section 260.181, subdivision 3; and

(d) Whether reasonable efforts consistent with section 260.012 were made to prevent or eliminate the necessity of the child's removal and to reunify the family after removal. The court's findings must include a brief description of what preventive and reunification efforts were made and why further efforts could not have prevented or eliminated the necessity of removal.

If the court finds that the social services agency's preventive or reunification efforts have not been reasonable but that further preventive or reunification efforts could not permit the child to safely remain at home, the court may nevertheless authorize or continue the removal of the child.

Sec. 21. Minnesota Statutes 1988, section 260.191, subdivision 1e, is amended to read:

Subd. 1e. [CASE PLAN.] For each disposition ordered, the court shall order the appropriate agency to prepare a written case plan developed after consultation with and participation by the child and the child's parent, guardian, ~~or~~ foster parent, custodian, or guardian ad litem and tribal representative if the tribe has intervened. The case plan shall comply with the requirements of section 257.071, where applicable. The case plan shall, among other matters, specify the actions to be taken by the child and the child's parent, guardian,

foster parent, or custodian to comply with the court's disposition order, and the services to be offered and provided by the agency to the child and the child's parent, guardian, or custodian. For each disposition ordered, the written case plan shall specify what reasonable efforts shall be provided to the family. The case plan must include a discussion of:

(1) the availability of appropriate prevention and reunification services for the family to prevent the removal of the child from the home or to reunify the child with the family after removal;

(2) any services or resources that were requested by the child or the child's parent, guardian, or custodian since the date of initial adjudication, and whether those services or resources were provided or the basis for denial of the services or resources;

(3) the need of the child and family for care, treatment, or rehabilitation;

(4) the need for participation by the parent, guardian, or custodian in the plan of care for the child; and

(5) a description of any services that could prevent placement or reunify the family if such services were available.

The court shall review the case plan and, upon approving it, incorporate the plan into its disposition order. The court may review and modify the terms of the case plan in the manner provided in subdivision 2. A party has a right to request a court review of the reasonableness of the case plan upon a showing of a substantial change of circumstances.

Sec. 22. Minnesota Statutes 1988, section 260.231, subdivision 3, is amended to read:

Subd. 3. The court shall have notice of the time, place, and purpose of the hearing served on the parents, as defined in sections 257.51 to 257.74 or 259.26, subdivision 1, clause (2), and upon the child's grandparent if the child has lived with the grandparent within the two years immediately preceding the filing of the petition. Notice shall be served in the manner provided in sections 260.135 and 260.141, except that personal service shall be made at least ten days before the day of the hearing. Published notice shall be made for three weeks, the last publication to be at least ten days before the day of the hearing; and notice sent by certified mail shall be mailed at least 20 days before the day of the hearing. A parent who consents to the termination of parental rights under the provisions of section 260.221, clause (a), may waive in writing the notice required by this subdivision; however, if the parent is a minor or incompetent the

waiver shall be effective only if the parent's guardian ad litem concurs in writing."

Delete the title and insert:

"A bill for an act relating to juvenile justice; requiring reasonable efforts to prevent placement of children in need of protection or services proceedings; amending duty of juvenile court to ensure placement prevention and family reunification; defining reasonable efforts; clarifying definitions, jurisdiction, and services for Indian children; requiring preference for racial or ethnic heritage for appointment of guardian ad litem; requiring consideration of reasonable efforts in factors determining neglect; requiring finding of reasonable efforts at detention; imposing requirements for disposition case plans; providing for notice to and participation by certain grandparents in juvenile court; amending Minnesota Statutes 1988, sections 260.012; 260.015, subdivisions 11, 13, 14, and by adding subdivisions; 260.111, by adding a subdivision; 260.135, subdivision 2; 260.141, by adding a subdivision; 260.155, subdivisions 1a, 4, and 7; 260.165, subdivision 1; 260.171, subdivision 1; 260.172, subdivisions 1 and 4; 260.173, subdivision 2; 260.181, subdivision 2; 260.191, subdivisions 1a and 1e; and 260.231, subdivision 3."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Health and Human Services.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1016, A bill for an act relating to juvenile justice; eliminating juvenile court jurisdiction over children alleged to be aggravated DWI offenders; authorizing the juvenile court to place juvenile alcohol or controlled substance offenders on probation; authorizing the juvenile court to require the commissioner of public safety to revoke the driver's license or permit of habitual petty offenders or to deny driving privileges to them if they do not have a license or permit; amending Minnesota Statutes 1988, sections 171.04; 260.111, by adding a subdivision; 260.115, subdivision 1; 260.121, subdivision 3; 260.193, subdivision 1, and by adding a subdivision; and 260.195, subdivision 3, and by adding subdivisions.

Reported the same back with the following amendments:

Delete page 3, line 20 to page 5, line 30

Page 6, line 26, strike "(e)" and insert "(f)"

Page 7, line 1, after "may" insert "suspend the driver's license or

permit for a period up to 90 days and, if appropriate, allow driving privileges to and from work or

Page 7, line 6, after "adjudicated" insert "habitual"

Page 7, after line 14, insert:

"Sec. 5. Minnesota Statutes 1988, section 332.51, subdivision 3, is amended to read:

Subd. 3. [LIABILITY OF PARENT OR GUARDIAN.] The provisions of Section 540.18 apply applies to this section, except that recovery is not limited to special damages.

Sec. 6. [REPEALER.]

Laws 1985, chapter 278, section 2, is repealed."

Page 7, line 16, delete "9" and insert "5"

Page 7, line 17, after the period insert "Section 6 is effective the day following final enactment."

Renumber the sections in sequence

Correct internal references

Amend the title as follows:

Page 1, line 2, delete everything after the semicolon

Page 1, delete line 3

Page 1, line 4, delete everything before "authorizing"

Page 1, line 10, after the semicolon insert "removing certain limitations on parental liability for thefts by minors; removing a repealer;"

Page 1, delete lines 12 and 13

Page 1, line 14, delete everything before "260.195,"

Page 1, line 15, before the period insert "; and 332.51, subdivision 3; repealing Laws 1985, chapter 278, section 2"

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1048, A bill for an act relating to vocational rehabilitation; requiring that 51 percent of the members of the board of directors of centers for independent living are persons with disabilities; changing the membership of the Minnesota council for the blind; amending Minnesota Statutes 1988, sections 129A.01, subdivision 9; and 248.10, subdivision 1.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Osthoff from the Committee on Financial Institutions and Housing to which was referred:

H. F. No. 1069, A bill for an act relating to real property; providing that purchaser's right to cancel applies to condominiums created before August 1, 1980; providing that lien on real estate added in expansion of flexible condominiums does not affect existing condominiums; empowering homeowner associations to foreclose assessment liens; amending Minnesota Statutes 1988, sections 515A.1-102; and 515A.2-111; proposing coding for new law as Minnesota Statutes, chapter 515B.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 515A.1-102, is amended to read:

515A.1-102 [APPLICABILITY.]

(a) Sections 515A.1-105 (Property Taxation), 515A.1-106 (Applicability of Local Ordinances, Regulations, and Building Codes), 515A.1-107 (Eminent Domain), 515A.2-103 (Construction and Validity of Declaration and Bylaws), 515A.2-104 (Description of Units), 515A.3-102 (a) (1) to (5) and (9) to (12) (Powers of Unit Owners Association), 515A.3-111 (Tort and Contract Liability), 515A.3-112 (Insurance), 515A.3-115 (Lien for Assessments), 515A.3-116 (Association Records), 515A.4-107 (Resales of Units), 515A.4-1075 (Purchaser's Right to Cancel), and 515A.1-103 (Definitions) to the extent necessary in construing any of those sections, apply to all condominiums created in this state prior to August 1, 1980; provided, however, that these sections apply only with respect to events and circumstances occurring after July 31, 1980, and do not invalidate existing

provisions of the declaration, bylaws, or floor plans of those condominiums.

(b) Sections 515A.1-101 to 515A.4-117 apply to all condominiums created within this state after August 1, 1980. The provisions of sections 515.01 to 515.29 do not apply to condominiums created after August 1, 1980 and do not invalidate any amendment to the declaration, bylaws, or floor plans of any condominium created before August 1, 1980, or to a condominium plat of any condominium created before August 1, 1986, if the amendment would be permitted by sections 515A.1-101 to 515A.4-117. The amendment must be adopted in conformity with the procedures and requirements specified by those instruments and by sections 515.01 to 515.29. If the amendment grants to any person any rights, powers or privileges permitted by sections 515A.1-101 to 515A.4-117, all correlative obligations, liabilities, and restrictions in sections 515A.1-101 to 515A.4-117 also apply to that person.

Sec. 2. Minnesota Statutes 1988, section 515A.2-111, is amended to read:

#### 515A.2-111 [EXPANSION OF FLEXIBLE CONDOMINIUMS.]

(a) To add additional real estate pursuant to an option reserved under section 515A.2-106(1), all persons having an interest in the additional real estate, excepting any holder of an easement or any holder of an interest to secure an obligation which interest was recorded or created subsequent to the recording of the declaration, shall prepare and execute and, after notice as provided in subsection (b), record an amendment to the declaration. The amendment to the declaration shall assign an identifying number to each unit formed in the additional real estate, and reallocate common element interests, votes in the association, and common expense liabilities according to section 515A.2-108. The amendment shall describe or delineate any limited common elements formed out of the additional real estate, showing or designating the unit to which each is allocated to the extent required by section 515A.2-109 (Limited Common Elements).

(b) The declarant shall serve notice of an intention to add additional real estate as follows:

(1) To the association in the same manner as service of summons in a civil action in district court at least 30 days prior to recording the amendment. The amendment shall be attached to the notice and shall not thereafter be changed so as to materially affect the rights of unit owners.

(2) To the occupants of each unit by notice given in the manner provided in section 515A.1-115 not less than 20 days prior to recording the amendment addressed to "Occupant Entitled to Legal

Notice" at each unit. Attached to the notice shall be a statement that the amendment has been served on the association.

(3) Proof of service upon the association and the occupants shall be attached to the recorded amendment.

(c) A lien upon the additional real estate that is not also upon the existing condominium is a lien only upon the units and their percentage of the common elements that are created from the additional real estate. Units within the condominium as it existed prior to expansion are transferred free of liens that are liens only upon the additional real estate, notwithstanding the fact that the percentage of common elements for the units is a percentage of the entire condominium, including the additional real estate."

Amend the title as follows:

Page 1, delete lines 2 to 10 and insert:

"relating to real property; providing that purchaser's right to cancel applies to condominiums created before August 1, 1980; providing that lien on real estate added in expansion of flexible condominiums does not affect existing condominiums; amending Minnesota Statutes 1988, sections 515A.1-102; and 515A.2-111."

With the recommendation that when so amended the bill pass.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 1118, A bill for an act relating to consumer protection; requiring new motor vehicle damage disclosures; amending Minnesota Statutes 1988, sections 168A.04, subdivisions 1 and 4; and 168A.05, subdivisions 3 and 5; proposing coding for new law in Minnesota Statutes, chapter 325F.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 168A.04, subdivision 1, is amended to read:

Subdivision 1. The application for the first certificate of title of a vehicle in this state shall be made by the owner to the department on the form prescribed by the department and shall contain:

(1) The first, middle, and last names, the dates of birth, and addresses of all owners who are natural persons, the full names and addresses of all other owners;

(2) A description of the vehicle including, so far as the following data exists, its make, model, year, identifying number, type of body, and whether new or used;

(3) The date of purchase by applicant, the name and address of the person from whom the vehicle was acquired, the names and addresses of any secured parties in the order of their priority, and the dates of their respective security agreements;

(4) With respect to motor vehicles subject to the provisions of section 325E.15, the true cumulative mileage registered on the odometer or that the actual mileage is unknown if the odometer reading is known by the owner to be different from the true mileage; and

(5) With respect to vehicles subject to section 6, whether the vehicle was submerged or flooded above the floor level; and

(6) Any further information the department reasonably requires to identify the vehicle and to enable it to determine whether the owner is entitled to a certificate of title, and the existence or nonexistence and priority of any security interest in the vehicle.

Sec. 2. Minnesota Statutes 1988, section 168A.04, subdivision 4, is amended to read:

Subd. 4. If the application refers to a vehicle last previously registered in another state or country, the application shall contain or be accompanied by:

(1) Any certificate of title issued by the other state or country;

(2) Any other information and documents the department reasonably requires to establish the ownership of the vehicle and the existence or nonexistence and priority of any security interest in it;

(3) The certificate of a person authorized by the department that the identifying number of the vehicle has been inspected and found to conform to the description given in the application, or any other proof of the identity of the vehicle the department reasonably requires; and

(4) With respect to vehicles subject to section 6, whether the vehicle was submerged or flooded above the floor level.

Sec. 3. Minnesota Statutes 1988, section 168A.05, subdivision 3, is amended to read:

Subd. 3. [CONTENT OF CERTIFICATE.] Each certificate of title issued by the department shall contain:

- (1) The date issued;
- (2) The first, middle, and last names, the dates of birth, and addresses of all owners who are natural persons, the full names and addresses of all other owners;
- (3) The names and addresses of any secured parties in the order of priority as shown on the application, or if the application is based on a certificate of title, as shown on the certificate, or as otherwise determined by the department;
- (4) The title number assigned to the vehicle;
- (5) A description of the vehicle including, so far as the following data exists, its make, model, year, identifying number, type of body, whether new or used, and if a new vehicle, the date of the first sale of the vehicle for use;
- (6) With respect to motor vehicles subject to the provisions of section 325E.15, the true cumulative mileage registered on the odometer or that the actual mileage is unknown if the odometer reading is known by the owner to be different from the true mileage; and
- (7) With respect to vehicles subject to section 6, the appropriate term "flood damaged," "rebuilt," or "reconstructed"; and
- (8) Any other data the department prescribes.

Sec. 4. Minnesota Statutes 1988, section 168A.05, subdivision 5, is amended to read:

Subd. 5. [ASSIGNMENT AND WARRANTY OF TITLE FORMS.] The certificate of title shall contain forms for assignment and warranty of title by the owner, and for assignment and warranty of title by a dealer, and may contain forms for applications for a certificate of title by a transferee, the naming of a secured party, and the assignment or release of security interests, and shall include language necessary to implement section 6.

Sec. 5. [325F.664] [NEW MOTOR VEHICLE DAMAGE DISCLOSURES.]

Subdivision 1. [DEFINITION:] For the purposes of this section, the term "new motor vehicle" means a motor vehicle as defined in section 80E.03, subdivision 7, including vehicles driven for demonstration purposes.

Subd. 2. [DISCLOSURE OF DAMAGE EXCEEDING FOUR PERCENT OF RETAIL PRICE.] (a) Before the sale of a new motor vehicle, a dealer must disclose and describe to the buyer, in a clear and conspicuous written statement, any damage to the vehicle of which the dealer had actual knowledge, if the dealer's cost of repairs exceeded four percent of the manufacturer's suggested retail price, or \$500, whichever is greater.

(b) A manufacturer, distributor, or importer must disclose and describe to its franchised dealers, in a clear and conspicuous written statement, any repaired damage exceeding four percent of the manufacturer's suggested retail price, or \$500, whichever is greater.

(c) Damaged or stolen glass, tires, wheels, bumpers, radios, and in-dash audio components are excluded from the disclosure requirements of this subdivision if the damaged or stolen parts are replaced with identical manufacturer's original equipment.

Sec. 6. [325F.6641] [DISCLOSURE OF MOTOR VEHICLE FLOOD DAMAGE; TITLE BRANDING.]

Subdivision 1. [FLOOD DAMAGE.] If a motor vehicle has been submerged or flooded above floor level while parked on a licensed motor vehicle dealer's lot or if the vehicle has sustained damage by collision or other occurrence which exceeds 70 percent of its actual cash value so that the vehicle becomes a class C total loss vehicle, the seller must disclose that fact to the buyer, if the seller has actual knowledge of the flood damage.

The disclosure required under this subdivision must be made in writing on the application for title and registration or other transfer document, in a manner prescribed by the registrar of motor vehicles. The registrar shall revise the certificate of title form, including the assignment by seller (transferor) and reassignment by licensed dealer sections of the form, the separate application for title forms, and other transfer documents to accommodate this disclosure. If the seller is a motor vehicle dealer licensed pursuant to section 168.27, the disclosure required by this section must be made orally by the dealer to the prospective buyer in the course of the sales presentation.

Subd. 2. [FORM OF DISCLOSURE.] The disclosure required in this section must be made in substantially the following form: "To the best of my knowledge, this vehicle has . . . . has not . . . . been submerged or flooded above floor level, has . . . . has not . . . . sustained damage in excess of 70 percent actual cash value."

Subd. 3. [REGISTRAR TO MARK TITLES.] If the application for title and registration indicates that the vehicle has been classified as a class B or C total loss vehicle because of water or flood damage or has been submerged or flooded above floor level while parked on a licensed motor vehicle dealer's lot, the registrar of motor vehicles shall record the term "flood damaged" on the certificate of title and all subsequent certificates of title issued for that vehicle.

Upon transfer and application for title of all class C total loss vehicles and all repaired vehicles with out-of-state titles that bear the term "damaged," "salvage," "rebuilt," "reconditioned," or any similar term, the registrar of motor vehicles shall record the word "rebuilt" on the first Minnesota certificate of title and all subsequent Minnesota certificates of title issued for that vehicle. The registrar shall mark "rebuilt" on the first Minnesota certificate of title and all subsequent certificates of title issued for any vehicle which came into the state unrepaired and for which a salvage certificate of title was issued unless the person applying for the Minnesota title offers proof satisfactory to the registrar that the vehicle did not sustain damage equivalent to the 70 percent standard set forth in this section. For vehicles with out-of-state titles which bear the term "flood damaged," the registrar of motor vehicles shall record the term "flood damaged" on the first Minnesota certificate of title and all subsequent Minnesota certificates of title issued for that vehicle. For vehicles that are reconstructed within the meaning of section 168A.15, the registrar shall record the word "reconstructed" on the certificate of title and all subsequent certificates of title.

The designation of "flood damaged," "rebuilt," or "reconstructed" on a certificate of title shall be made by the registrar of motor vehicles in a clear and conspicuous manner, in a color different from all other writing on the certificate of title.

For the purposes of this section, a class C total loss vehicle means a vehicle for which a salvage certificate of title has been issued and vehicles with damage of at least 70 percent of the vehicle's actual cash value as determined by an insurer or dealer pursuant to section 168A.151 or by comparing an insurer's written estimate of damage or actual loss payout to the average trade-in value of the vehicle according to the National Automobile Dealers Association's Official Used Car Guide or other similar publication approved by the registrar.

Subd. 4. [DEALER DISCLOSURE.] If a licensed motor vehicle dealer offers for sale a vehicle with a branded title, the dealer shall orally disclose the existence of the brand in the course of the sales presentation.

A person who violates sections 5 and 6 is subject to the remedies and penalties, including a private right of action, provided in section 8.31.

A person injured by a violation of sections 5 and 6 shall recover the actual damages sustained, together with costs and disbursements, including reasonable attorney's fees. In its discretion, the court may increase the award of damages to an amount not to exceed three times the actual damages sustained, or \$2,500, whichever is greater.

The relief provided in this section is in addition to any remedies otherwise available under the common law or other statutes of this state.

Sec. 8. [325F6643] [APPLICATION.]

Section 6 does not apply to vehicles that are ten years old or older as calculated from the first day of January of the designated model year or to commercial motor vehicles with a gross vehicle rating of 26,000 pounds or more.

Sec. 9. [EFFECTIVE DATE AND TRANSITION.]

Sections 1 to 8 are effective on July 1, 1990. All certificates of title issued after that date must include the disclosure language in the assignment by seller (transferor), reassignment by licensed dealer sections, and other transfer documents, and the appropriate designation "flood damaged," "rebuilt," or "reconstructed" as required by section 6, subdivision 3. No title application or title transfer shall be rejected by the registrar for failure to include the disclosures required by sections 1 to 7 if the application for title, the assignment by seller (transferor), reassignment by licensed dealer, or other transfer documents have not been revised to include the appropriate form for disclosure pursuant to section 6, subdivision 2."

With the recommendation that when so amended the bill pass.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1151, A bill for an act relating to probate; changing procedure for notice to certain creditors; changing certain time limits; amending Minnesota Statutes 1988, sections 524.3-801; 524.3-802; 524.3-803; and 524.3-807.

Reported the same back with the following amendments:

Delete page 1, line 23 to page 3, line 3

Page 3, line 4, delete "(3)"

Page 3, delete lines 15 to 24 and insert:

"(b)(1) Within three months after: (i) the date of the first publication of the notice, or (ii) the effective date of this section, whichever is later, the personal representative may determine, in the personal representative's discretion, that it is or is not advisable to conduct a reasonably diligent search for creditors of the decedent who are either not known or not identified. If the personal representative determines that a reasonably diligent search is advisable, the personal representative shall conduct the search.

(2) If the notice is first published after the effective date of this section, the personal representative shall, within three months after the date of the first publication of the notice, serve a copy of the notice upon each then known and identified creditor in the manner provided in paragraph (c). If notice was first published under the applicable provisions of law under the direction of the court administrator before the effective date of this section, and if a personal representative is empowered to act at any time after the effective date of this section, the personal representative shall, within three months after the effective date of this section, serve upon the then known and identified creditors in the manner provided in paragraph (c) a copy of the notice as published, together with a supplementary notice requiring each of the creditors to present any claim within one month after the date of the service of the notice or be forever barred.

(c) The personal representative shall serve a copy of any notice and any supplementary notice required by paragraph (b), clause (1) or (2), upon each creditor of the decedent who is then known to the personal representative and identified, except a creditor whose claim has either been presented to the personal representative or paid, either by delivery of a copy of the required notice to the creditor, or by mailing a copy of the notice to the creditor by certified, registered, or ordinary first class mail addressed to the creditor at the creditor's office or place of residence."

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. 1163, A bill for an act relating to resource development;

requiring a research study on the effect of aspen thinning; appropriating money.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 1187, A bill for an act relating to human services; providing for eligibility changes in the medical assistance, general assistance medical care, and children's health plan programs; clarifying existing eligibility requirements; providing for coordination of benefits with the children's health plan; providing for certain changes in the administration of the medical assistance demonstration project; amending Minnesota Statutes 1988, sections 62A.045; 62A.046; 145.61, subdivision 5; 145.63; 214.06, subdivision 1; 256.936, subdivisions 1, 2, and 4; 256.969; 256B.031, subdivision 5; 256B.04, subdivision 14; 256B.055, subdivisions 7 and 8; 256B.056, subdivisions 3 and 5; 256B.062; 256B.0625, subdivision 13, and by adding a subdivision; 256B.14; 256B.69, subdivisions 4, 5, 11, and by adding a subdivision; 256D.03, subdivisions 3, 4, and 7; and 297.13, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 256 and 256B; repealing Minnesota Statutes 1988, sections 256.969, subdivisions 2a, 3, 4, 5, and 6; 256B.17; and 256B.69, subdivisions 12, 13, 14, and 15.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 62A.045, is amended to read:

62A.045 [PAYMENTS TO ON BEHALF OF WELFARE RECIPIENTS.]

No policy ~~of or plan of health, medical, hospitalization, or accident and sickness insurance regulated under this chapter; vendor of risk management services regulated under section 60A.23; nonprofit health service plan corporation regulated under chapter 62C; health maintenance organization regulated under chapter 62D; or self-insured plan regulated under chapter 62E~~ shall contain any provision denying or reducing benefits because services are rendered to ~~an insured or dependent a person~~ who is eligible for or receiving medical assistance benefits pursuant to chapter 256B or 256D or services pursuant to section 252.27; 256.936; 260.251, subdivision 1a; 261.27; or 393.07, subdivision 1 or 2.

If a person covered under a policy or plan of health, medical, hospitalization, or accident and sickness insurance is receiving medical benefits according to any statute listed in this section, payment for covered services or notice of denial for services billed by the provider must be issued directly to the provider. Claims submitted by the provider to the insurer must contain a statement that the person was receiving medical benefits through the department of human services at the time the service was provided. When the commissioner of human services notifies the insurer that the commissioner has made payment to the provider, benefits or notices of denial must be issued directly to the commissioner. Submission of the claim on the department of human services claim form is proper notice and proof of payment of the claim to the provider and supersedes contract requirements relating to the form of submission. Liability to the insured for coverage is satisfied to the extent that payments for those benefits are made to the provider or the commissioner.

Sec. 2. Minnesota Statutes 1988, section 62A.046, is amended to read:

62A.046 [COORDINATION OF BENEFITS.]

(1) No group contract providing coverage for hospital and medical treatment or expenses issued or renewed after August 1, 1984, which is responsible for secondary coverage for services provided, may deny coverage or payment of the amount it owes as a secondary payor solely on the basis of the failure of another group contract, which is responsible for primary coverage, to pay for those services.

(2) A group contract which provides coverage of a claimant as a dependent of a parent who has legal responsibility for the dependent's medical care pursuant to a court order under section 518.171 must make payments directly to the provider of care. In such cases, liability to the insured is satisfied to the extent of benefit payments made to the provider.

(3) This section applies to an insurer, a vendor of risk management services regulated under section 60A.23, a nonprofit health service plan corporation regulated under chapter 62C and a health maintenance organization regulated under chapter 62D. Nothing in this section shall require a secondary payor to pay the obligations of the primary payor nor shall it prevent the secondary payor from recovering from the primary payor the amount of any obligation of the primary payor that the secondary payor elects to pay.

(4) Payments made on behalf of an enrollee in the children's health plan under section 256.936, or a person receiving benefits under chapter 256B or 256D, for services that are covered by the policy or plan of health insurance, must apply to any deductible the

enrollee is obligated to pay under a group or individual policy or plan of health insurance, if the enrollee is insured.

(5) The commissioner of human services shall recover payments made by the children's health plan from the responsible insurer, for services provided by the children's health plan and covered by the policy or plan of health insurance.

Sec. 3. Minnesota Statutes 1988, section 145.61, subdivision 5, is amended to read:

Subd. 5. "Review organization" means a nonprofit organization acting according to clause (k) or a committee whose membership is limited to professionals and administrative staff, except where otherwise provided for by state or federal law, and which is established by a hospital, by a clinic, by one or more state or local associations of professionals, by an organization of professionals from a particular area or medical institution, by a health maintenance organization as defined in chapter 62D, by a nonprofit health service plan corporation as defined in chapter 62C or, by a professional standards review organization established pursuant to United States Code, title 42, section 1320c-1 et seq., or by a medical review agent established to meet the requirements of section 256B.04, subdivision 15, or 256D.03, subdivision 7, paragraph (b), or by the department of human services, to gather and review information relating to the care and treatment of patients for the purposes of:

(a) evaluating and improving the quality of health care rendered in the area or medical institution;

(b) reducing morbidity or mortality;

(c) obtaining and disseminating statistics and information relative to the treatment and prevention of diseases, illness and injuries;

(d) developing and publishing guidelines showing the norms of health care in the area or medical institution;

(e) developing and publishing guidelines designed to keep within reasonable bounds the cost of health care;

(f) reviewing the quality or cost of health care services provided to enrollees of health maintenance organizations;

(g) acting as a professional standards review organization pursuant to United States Code, title 42, section 1320c-1 et seq.;

(h) determining whether a professional shall be granted staff privileges in a medical institution or whether a professional's staff privileges should be limited, suspended or revoked; or

(i) reviewing, ruling on, or advising on controversies, disputes or questions between:

(1) health insurance carriers or health maintenance organizations and their insureds or enrollees;

(2) professional licensing boards acting under their powers including disciplinary, license revocation or suspension procedures and health providers licensed by them when the matter is referred to a review committee by the professional licensing board;

(3) professionals and their patients concerning diagnosis, treatment or care, or the charges or fees therefor;

(4) professionals and health insurance carriers or health maintenance organizations concerning a charge or fee for health care services provided to an insured or enrollee;

(5) professionals or their patients and the federal, state, or local government, or agencies thereof; or

(j) providing underwriting assistance in connection with professional liability insurance coverage applied for or obtained by dentists, or providing assistance to underwriters in evaluating claims against dentists;

(k) acting as a medical review agent under section 256B.04, subdivision 15, or 256D.03, subdivision 7, paragraph (b); or

(l) providing recommendations on the medical necessity of a health service, or the relevant prevailing community standard for a health service.

Sec. 4. Minnesota Statutes 1988, section 145.63, is amended to read:

**145.63 [LIMITATION ON LIABILITY FOR SPONSORING ORGANIZATIONS, REVIEW ORGANIZATIONS, AND MEMBERS OF REVIEW ORGANIZATIONS.]**

Subdivision 1. [MEMBERS.] No review organization and no person who is a member or employee of, who acts in an advisory capacity to or who furnishes counsel or services to, a review organization shall be liable for damages or other relief in any action brought by a person or persons whose activities have been or are being scrutinized or reviewed by a review organization, by reason of the performance by the person of any duty, function, or activity of such review organization, unless the performance of such duty, function or activity was motivated by malice toward the person affected thereby. No review organization and no person shall be

liable for damages or other relief in any action by reason of the performance of the review organization or person of any duty, function, or activity as a review organization or a member of a review committee or by reason of any recommendation or action of the review committee when the person acts in the reasonable belief that the action or recommendation is warranted by facts known to the person or the review organization after reasonable efforts to ascertain the facts upon which the review organization's action or recommendation is made, except that any corporation designated as a review organization under the Code of Federal Regulations, title 42, section 466 (1983) shall be subject to actions for damages or other relief by reason of any failure of a person, whose care or treatment is required to be scrutinized or reviewed by the review organization, to receive medical care or treatment as a result of a determination by the review organization that medical care was unnecessary or inappropriate.

Subd. 2. [ORGANIZATIONS.] No state or local association of professionals or organization of professionals from a particular area shall be liable for damages or other relief in any action brought by a person whose activities have been or are being scrutinized or reviewed by a review organization established by the association or organization, unless the association or organization was motivated by malice towards the person affected by the review or scrutiny.

Sec. 5. Minnesota Statutes 1988, section 148B.32, subdivision 2, is amended to read:

Subd. 2. [APPEARANCE AS LICENSEE PROHIBITED.] After adoption of rules by the board implementing sections 148B.29 to 148B.39, no individual shall be held out to be a marriage and family therapist unless that individual holds a valid license issued under sections 148B.29 to 148B.39 or is a psychologist licensed by the board of psychology with a competency in marriage and family therapy.

Sec. 6. Minnesota Statutes 1988, section 214.06, subdivision 1, is amended to read:

Subdivision 1. Notwithstanding any law to the contrary, the commissioner of health as authorized by section 214.13, all health-related licensing boards and all non-health-related licensing boards shall by rule, with the approval of the commissioner of finance, adjust any fee which the commissioner of health or the board is empowered to assess a sufficient amount so that the total fees collected by each board will as closely as possible equal anticipated expenditures during the fiscal biennium, as provided in section 16A.128. For members of an occupation registered after July 1, 1984 by the commissioner of health under the provisions of section 214.13, the fee established must include an amount necessary to recover, over a five-year period, the commissioner's direct expendi-

tures for adoption of the rules providing for registration of members of the occupation. All fees received shall be deposited in the state treasury. Fees received by health-related licensing boards must be credited to the special revenue fund. Any balance remaining in the special revenue fund at the end of each fiscal year, after payment of health-related licensing board expenses including salaries, attorney general fees, and indirect costs, must be credited to the public health fund.

Sec. 7. Minnesota Statutes 1988, section 246.50, subdivision 3, is amended to read:

Subd. 3. [REGIONAL TREATMENT CENTER STATE FACILITY.] "Regional treatment center State facility" means any state facility for treating persons with mental illness, mental retardation, or chemical dependency now existing or hereafter established, owned or operated by the state of Minnesota and under the programmatic direction or fiscal control of the commissioner. State facility includes regional treatment centers; the state nursing homes; state-operated, community-based programs; and other facilities owned or operated by the state and under the commissioner's control.

Sec. 8. Minnesota Statutes 1988, section 246.50, subdivision 4, is amended to read:

Subd. 4. [CLIENT.] "Patient Client" means any person with mental illness or chemical dependency receiving services at a state facility, whether or not those services require occupancy of a bed overnight.

Sec. 9. Minnesota Statutes 1988, section 246.50, subdivision 5, is amended to read:

Subd. 5. [COST OF CARE.] "Cost of care" means the commissioner's determination of the anticipated average per capita cost of all maintenance, treatment and expense, including depreciation of buildings and equipment, interest paid on bonds issued for capital improvements to state facilities, and indirect costs related to the operation other than that paid from the Minnesota state building fund, at all of the state facilities during the current year for which billing is being made. The commissioner shall determine the anticipated average per capita cost. The commissioner may establish one all inclusive rate or separate rates for each patient or resident disability group, and may establish separate charges for each facility. "Cost of care" for outpatient or day care patients or residents shall be on a cost for service basis under a schedule the commissioner shall establish.

For purposes of this subdivision "resident patient" means a person

who occupies a bed while housed in a state facility for observation, care, diagnosis, or treatment.

For purposes of this subdivision "outpatient" or "day care" patient or resident means a person who makes use of diagnostic, therapeutic, counseling, or other service in a state facility or through state personnel but does not occupy a bed overnight.

For the purposes of collecting from the federal government for the care of those patients eligible for medical care under the Social Security Act "cost of care" shall be determined as set forth in the rules and regulations of the Department of Health and Human Services or its successor agency: charge for services provided to any person admitted to a state facility.

For purposes of this subdivision, "charge for services" means the cost of services, depreciation of buildings and equipment, treatment, maintenance, bonds issued for capital improvements, and indirect costs related to the operation of state facilities. The commissioner may determine the charge for services on an anticipated average per diem basis as an all inclusive charge per facility, per disability group, or per treatment program. The commissioner may determine a charge per service, using a method that includes direct and indirect costs.

#### Sec. 10. [246.501] [COST OF CARE FOR STATE-OPERATED, COMMUNITY-BASED PROGRAMS.]

For purposes of establishing reimbursement rates, state-operated, community-based programs that meet the definition of a facility in Minnesota Rules, part 9553.0020, subpart 19, are subject to Minnesota Rules, parts 9553.0010 to 9553.0080. For purposes of establishing reimbursement rates, state-operated, community-based programs that meet the definition of vendor in section 252.41, subdivision 9, are subject to the rate setting procedures in sections 252.41 to 252.47 and the provisions of Minnesota Rules, parts 9525.1200 to 9525.1330.

Sec. 11. Minnesota Statutes 1988, section 246.54, is amended to read:

#### 246.54 [LIABILITY OF COUNTY; REIMBURSEMENT.]

Except for chemical dependency services provided under sections 254B.01 to 254B.09, the patient's or resident's county shall pay to the state of Minnesota a portion of the cost of care provided in a regional treatment center to a patient or resident legally settled in that county. A county's payment shall be made from the county's own sources of revenue and payments shall be paid as follows: payments to the state from the county shall equal ten percent of the

per capita rate cost of care, as determined by the commissioner, for each day, or the portion thereof, that the patient or resident spends at a regional treatment center. If payments received by the state under sections 246.50 to 246.53 exceed 90 percent of the per capita rate cost of care, the county shall be responsible for paying the state only the remaining amount. The county shall not be entitled to reimbursement from the patient or resident, the patient's or resident's estate, or from the patient's or resident's relatives, except as provided in section 246.53. No such payments shall be made for any patient or resident who was last committed prior to July 1, 1947.

Sec. 12. [CLARIFICATION OF LEGISLATIVE INTENT.]

The amendments to section 246.50, subdivisions 3, 4, and 5, are both substantive and clarifying in nature. Substantively, the amendments broaden the scope of the definitions amended.

The amendments in section 246.50, subdivisions 3, 4, and 5, also clarify the legislative intent of Laws 1982, chapter 641, article 1, section 4; Laws 1985, chapter 21, section 14; and Laws 1987, chapter 403, article 2, section 49. Those laws replaced archaic language with current terms relating to chemical dependency. In changing the terms by the acts cited, the legislature did not intend to create or change the state's ability to charge and collect for the cost of chemical dependency treatment that a person received in a regional treatment center before the effective dates of Laws 1982, chapter 641, article 1, section 4; Laws 1985, chapter 21, section 14; and Laws 1987, chapter 403, article 2, section 49. The state had the ability to charge and collect for the cost of chemical dependency treatment in regional treatment centers before the changes in terms that occurred in these laws. The changes simply changed archaic language to acceptable language. Failure to cite a specific section in this act as nonsubstantive or as a clarification shall not be construed to mean that the section is a substantive change in the law.

Sec. 13. Minnesota Statutes 1988, section 252.291, subdivision 2, is amended to read:

Subd. 2. [EXCEPTIONS.] (a) The commissioner of human services in coordination with the commissioner of health may approve a newly constructed or newly established publicly or privately operated community intermediate care facility for six or fewer persons with mental retardation or related conditions only when the following circumstances exist:

(a) (1) when the facility is developed in accordance with a request for proposal approved by the commissioner of human services;

(b) (2) when the facility is necessary to serve the needs of identified persons with mental retardation or related conditions who are seriously behaviorally disordered or who are seriously physically

or sensorily impaired. At least 50 percent of the capacity of the facility must be used for persons coming from regional treatment centers; and

(e) (3) when the commissioner determines that the need for increased service capacity cannot be met by the use of alternative resources or the modification of existing facilities.

(b) When new beds are authorized, at least 50 percent of the total new beds authorized during a biennium must be used for persons coming from regional treatment centers.

Sec. 14. Minnesota Statutes 1988, section 252.46, subdivision 1, is amended to read:

Subdivision 1. [RATES FOR CALENDAR YEARS 1988 AND 1989 AND 1990.] Payment rates to vendors, except regional centers, for county-funded day training and habilitation services and transportation provided to persons receiving day training and habilitation services established by a county board for calendar years 1988 and 1989 and 1990 are governed by subdivisions 2 to 10.

"Payment rate" as used in subdivisions 2 to 10 refers to three kinds of payment rates: a full-day service rate for persons who receive at least six service hours a day, including the time it takes to transport the person to and from the service site; a partial-day service rate that must not exceed 75 percent of the full-day service rate for persons who receive less than a full day of service; and a transportation rate for providing, or arranging and paying for, transportation of a person to and from the person's residence to the service site.

Sec. 15. Minnesota Statutes 1988, section 252.46, subdivision 2, is amended to read:

Subd. 2. [1988 AND 1989 AND 1990 MINIMUM.] Unless a variance is granted under subdivision 6, the minimum payment rates set by a county board for each vendor for calendar years 1988 and 1989 and 1990 must be equal to the payment rates approved by the commissioner for that vendor in effect January 1, 1987 1988, and January 1, 1988 1989, respectively.

Sec. 16. Minnesota Statutes 1988, section 252.46, subdivision 3, is amended to read:

Subd. 3. [1988 AND 1989 AND 1990 MAXIMUM.] Unless a variance is granted under subdivision 6, the maximum payment rates for each vendor for calendar years 1988 and 1989 and 1990 must be equal to the payment rates approved by the commissioner for that vendor in effect December 1, 1987 1988, and December 1,

1988 1989, respectively, increased by no more than the projected percentage change in the urban consumer price index, all items, published by the United States Department of Labor, for the upcoming calendar year over the current calendar year.

Sec. 17. Minnesota Statutes 1988, section 252.46, subdivision 4, is amended to read:

Subd. 4. [NEW VENDORS.] Payment rates established by a county for calendar years 1988 and 1989 and 1990, for a new vendor for which there were no previous rates must not exceed 125 percent of the average payment rates in the regional development commission district under sections 462.381 to 462.396 in which the new vendor is located.

Sec. 18. Minnesota Statutes 1988, section 252.46, subdivision 6, is amended to read:

Subd. 6. [VARIANCES.] A variance from the minimum or maximum payment rates in subdivisions 2 and 3 may be granted by the commissioner when the vendor requests and the county board submits to the commissioner a written variance request with the recommended payment rates. The commissioner shall develop by October 1, 1989, a uniform format for submission of documentation for the variance requests. This format shall be used by each vendor requesting a variance. The form shall be developed by the commissioner and shall be reviewed by representatives of advocacy and provider groups and counties. A variance may be utilized for costs associated with compliance with state administrative rules, compliance with court orders, capital costs required for continued licensure, increased insurance costs, start-up and conversion costs for supported employment, direct service staff salaries and benefits, and transportation. The county board shall review all vendors' payment rates that are ten or more than ten percent lower than the statewide median payment rates. If the county determines that the payment rates do not provide sufficient revenue to the vendor for authorized service delivery the county must recommend a variance under this section. When the county board contracts for increased services from any vendor for some or all individuals receiving services from the vendor, the county board shall review the vendor's payment rates to determine whether the increase requires that a variance to the minimum rates be recommended under this section to reflect the vendor's lower per unit fixed costs. The written variance request must include documentation that all the following criteria have been met:

(1) The commissioner and the county board have both conducted a review and have identified a need for a change in the payment rates and recommended an effective date for the change in the rate.

(2) The proposed changes are required for the vendor to deliver authorized individual services in an effective and efficient manner.

(3) The proposed changes are necessary to demonstrate compliance with minimum licensing standards, or to provide community-integrated and supported employment services after a change in the vendor's existing services has been approved as provided in section 252.28.

(4) The vendor documents that the changes cannot be achieved by reallocating current staff or by reallocating financial resources.

(5) The county board submits evidence that the need for additional staff cannot be met by using temporary special needs rate exceptions under Minnesota Rules, parts 9510.1020 to 9510.1140.

(6) The county board submits a description of the nature and cost of the proposed changes, and how the county will monitor the use of money by the vendor to make necessary changes in services.

(7) The county board's recommended payment rates do not exceed 125 percent of the current calendar year's statewide median payment rates.

The commissioner shall have 60 calendar days from the date of the receipt of the complete request to accept or reject it, or the request shall be deemed to have been granted. If the commissioner rejects the request the commissioner shall state in writing the specific objections to the request and the reasons for its rejection.

Sec. 19. Minnesota Statutes 1988, section 252.46, subdivision 12, is amended to read:

Subd. 12. [RATES ESTABLISHED AFTER 1989 1990.] Payment rates established by a county board to be paid to a vendor on or after January 1, 1990 1991, must be determined under permanent rules adopted by the commissioner. No county shall pay a rate that is less than the minimum rate determined by the commissioner.

In developing procedures for setting minimum payment rates and procedures for establishing payment rates, the commissioner shall consider the following factors:

(1) a vendor's payment rate and historical cost in the previous year;

(2) current economic trends and conditions;

(3) costs that a vendor must incur to operate efficiently, effectively and economically and still provide training and habilitation services

that comply with quality standards required by state and federal regulations;

(4) increased liability insurance costs;

(5) costs incurred for the development and continuation of supported employment services;

(6) cost variations in providing services to people with different needs;

(7) the adequacy of reimbursement rates that are more than 15 percent below the statewide average; and

(8) other appropriate factors.

The commissioner may develop procedures to establish differing hourly rates that take into account variations in the number of clients per staff hour, to assess the need for day training and habilitation services, and to control the utilization of services.

In developing procedures for setting transportation rates, the commissioner may consider allowing the county board to set those rates or may consider developing a uniform standard.

Medical assistance rates for home and community-based services provided under section 256B.501 by licensed vendors of day training and habilitation services must not be greater than the rates for the same services established by counties under sections 252.40 to 252.47.

Sec. 20. Minnesota Statutes 1988, section 252.47, is amended to read:

252.47 [RULES.]

To implement sections 252.40 to 252.47, the commissioner shall adopt permanent rules under sections 14.01 to 14.38. The rules may include a plan for phasing in implementation of the procedures and rates established by the rules. The phase-in may occur prior to calendar year ~~1990~~ 1991. The commissioner shall establish an advisory task force to advise and make recommendations to the commissioner during the rulemaking process. The advisory task force must include legislators, vendors, residential service providers, counties, consumers, department personnel, and others as determined by the commissioner.

Sec. 21. Minnesota Statutes 1988, section 256.045, subdivision 1, is amended to read:

Subdivision 1. [POWERS OF THE STATE AGENCY.] The commissioner of human services may appoint one or more state human services referees to conduct hearings and recommend orders in accordance with subdivisions 3, 3a, 4a, and 5. Human services referees designated pursuant to this section may administer oaths and shall be under the control and supervision of the commissioner of human services and shall not be a part of the office of administrative hearings established pursuant to sections 14.48 to 14.56.

Sec. 22. Minnesota Statutes 1988, section 256.045, subdivision 3, is amended to read:

Subd. 3. [STATE AGENCY HEARINGS.] (a) Any person applying for, receiving or having received public assistance or a program of social services granted by the state agency or a local agency under sections 252.32, 256.72 to 256.879, chapters 256B, 256D, 256E, 261, or the federal Food Stamp Act whose application for assistance is denied, not acted upon with reasonable promptness, or whose assistance is suspended, reduced, terminated, or claimed to have been incorrectly paid, or any patient or relative aggrieved by an order of the commissioner under section 252.27, or a party aggrieved by a ruling of a prepaid health plan, may contest that action or decision before the state agency by submitting a written request for a hearing to the state agency within 30 days after receiving written notice of the action or decision, or within 90 days of such written notice if the applicant, recipient, patient, or relative shows good cause why the request was not submitted within the 30-day time limit. Except for a prepaid health plan, a vendor of medical care as defined in section 256B.02, subdivision 7, or a vendor under contract with a local agency to provide social services under section 256E.08, subdivision 4, is not a party and may not request a hearing under this section.

(b) All prepaid health plans under contract to the commissioner pursuant to chapter 256B or 256D must provide for a complaint system according to section 62D.11. The prepaid health plan must notify the ombudsman within three working days of any formal complaint made under section 62D.11 by persons enrolled in a prepaid health plan under chapter 256B or 256D. At the time a complaint is made, the prepaid health plan must notify the recipient of the name and telephone number of the ombudsman. Recipients may request the assistance of the ombudsman in the complaint system process. The prepaid health plan shall issue a written resolution within 30 days of filing with the prepaid health plan. The ombudsman may waive the requirement that the complaint system procedures be exhausted prior to an appeal if the ombudsman determines that the complaint must be resolved expeditiously in order to provide care in an urgent situation.

(c) A state human services referee shall conduct a hearing on the matter and shall recommend an order to the commissioner of human

services. The commissioner need not grant a hearing if the sole issue raised by an appellant is the commissioner's authority to require mandatory enrollment in a prepaid health plan in a county where prepaid health plans are under contract with the commissioner.

(d) In a notice of appeal from a ruling of a prepaid health plan, a recipient may request an expedited hearing. The ombudsman, after discussing with the recipient his or her condition and in consultation with a health practitioner who practices in the specialty area of the recipient's primary diagnosis, shall investigate and determine whether an expedited appeal is warranted. In making the determination, the ombudsman shall evaluate whether the medical condition of the recipient, if not expeditiously diagnosed and treated, could cause physical or mental disability, substantial deterioration of physical or mental health, continuation of severe pain, or death. The ombudsman may order a second medical opinion from the prepaid health plan or order a second medical opinion from a nonprepaid health plan provider at prepaid health plan expense. If the ombudsman determines that an expedited appeal is warranted, the state welfare referee shall hear the appeal and render a decision within a time commensurate with the level of urgency involved, based on the individual circumstances of the case. In urgent or emergency situations in which a prepaid health plan provider has prescribed treatment, and the prepaid health plan has denied authorization for that treatment, the referee may order the health plan to authorize treatment pending the outcome of the appeal.

Sec. 23. Minnesota Statutes 1988, section 256.045, is amended by adding a subdivision to read:

Subd. 3a. [PREPAID HEALTH PLAN APPEALS.] (a) All prepaid health plans under contract to the commissioner under chapter 256B or 256D must provide for a complaint system according to section 62D.11. When a prepaid health plan denies, reduces, or terminates a health service, the prepaid health plan must notify the recipient of the right to file a complaint or an appeal. The notice must include the name and telephone number of the ombudsman and notice of the recipient's right to request a hearing under paragraph (b). When a complaint is filed, the prepaid health plan must notify the ombudsman within three working days. Recipients may request the assistance of the ombudsman in the complaint system process. The prepaid health plan must issue a written resolution of the complaint to the recipient within 30 days after the complaint is filed with the prepaid health plan. A recipient is not required to exhaust the complaint system procedures in order to request a hearing under paragraph (b).

(b) Recipients enrolled in a prepaid health plan under chapter 256B or 256D may contest a prepaid health plan's denial, reduction, or termination of health services or the prepaid health plan's written resolution of a complaint by submitting a written request

for a hearing according to subdivision 3. A state human services referee shall conduct a hearing on the matter and shall recommend an order to the commissioner of human services. The commissioner need not grant a hearing if the sole issue raised by a recipient is the commissioner's authority to require mandatory enrollment in a prepaid health plan in a county where prepaid health plans are under contract with the commissioner. The state human services referee may order a second medical opinion from the prepaid health plan or may order a second medical opinion from a nonprepaid health plan provider at the expense of the prepaid health plan. Recipients may request the assistance of the ombudsman in the appeal process.

(c) In the written request for a hearing to appeal from a prepaid health plan's denial, reduction, or termination of a health service or the prepaid health plan's written resolution to a complaint, a recipient may request an expedited hearing. If an expedited appeal is warranted, the state human services referee shall hear the appeal and render a decision within a time commensurate with the level of urgency involved, based on the individual circumstances of the case.

Sec. 24. Minnesota Statutes 1988, section 256.045, subdivision 4, is amended to read:

Subd. 4. [CONDUCT OF HEARINGS.] All hearings held pursuant to subdivision 3, 3a, or 4a shall be conducted according to the provisions of the federal Social Security Act and the regulations implemented in accordance with that act to enable this state to qualify for federal grants-in-aid, and according to the rules and written policies of the commissioner of human services. Local agencies shall install equipment necessary to conduct telephone hearings. A state human services referee may schedule a telephone conference hearing when the distance or time required to travel to the local agency offices will cause a delay in the issuance of an order, or to promote efficiency, or at the mutual request of the parties. Hearings may be conducted by telephone conferences unless the applicant, recipient, or former recipient objects. The hearing shall not be held earlier than five days after filing of the required notice with the local or state agency. The state human services referee shall notify all interested persons of the time, date, and location of the hearing at least five days before the date of the hearing. Interested persons may be represented by legal counsel or other representative of their choice at the hearing and may appear personally, testify and offer evidence, and examine and cross-examine witnesses. The applicant, recipient, or former recipient shall have the opportunity to examine the contents of the case file and all documents and records to be used by the local agency at the hearing at a reasonable time before the date of the hearing and during the hearing. Upon request, the local agency shall provide reimbursement for transportation, child care, photocopying, medical assessment, witness fee, and other necessary and reasonable costs

incurred by the applicant, recipient, or former recipient in connection with the appeal. All evidence, except that privileged by law, commonly accepted by reasonable people in the conduct of their affairs as having probative value with respect to the issues shall be submitted at the hearing and such hearing shall not be "a contested case" within the meaning of section 14.02, subdivision 3.

Sec. 25. Minnesota Statutes 1988, section 256.045, subdivision 4a, is amended to read:

Subd. 4a. [CASE MANAGEMENT APPEALS.] Any recipient of case management services pursuant to section 256B.092, subdivisions 1 to 1b who contests the local agency's action or failure to act in the provision of those services, other than a failure to act with reasonable promptness or a suspension, reduction, denial, or termination of services, must submit a written request for review to the local agency. The local agency shall inform the commissioner of the receipt of a request for review when it is submitted and shall schedule a conciliation conference. The local agency shall notify the recipient, the commissioner, and all interested persons of the time, date, and location of the conciliation conference. The commissioner shall designate a representative to be present at the conciliation conference to assist in the resolution of the dispute without the need for a hearing. Within 30 days, the local agency shall conduct the conciliation conference and inform the recipient in writing of the action the local agency is going to take and when that action will be taken and notify the recipient of the right to a hearing under this subdivision. The conciliation conference shall be conducted in a manner consistent with the procedures for reconsideration of an individual service plan or an individual habilitation plan pursuant to Minnesota Rules, parts 9525.0075, subpart 5 and 9525.0105, subpart 6. If the county fails to conduct the conciliation conference and issue its report within 30 days, or, at any time up to 90 days after the conciliation conference is held, a recipient may submit to the commissioner a written request for a hearing before a state human services referee to determine whether case management services have been provided in accordance with applicable laws and rules or whether the local agency has assured that the services identified in the recipient's individual service plan have been delivered in accordance with the laws and rules governing the provision of those services. The state human services referee shall recommend an order to the commissioner, who shall, in accordance with the procedure in subdivision 5, issue a final order within 60 days of the receipt of the request for a hearing, unless the commissioner refuses to accept the recommended order, in which event a final order shall issue within 90 days of the receipt of that request. The order may direct the local agency to take those actions necessary to comply with applicable laws or rules. The commissioner may issue a temporary order prohibiting the demission of a recipient of case management services from a residential or day habilitation program licensed under chapter 245A, while a local agency review

process or an appeal brought by a recipient under this subdivision is pending, or for the period of time necessary for the local agency to implement the commissioner's order. The commissioner shall not issue a final order staying the demission of a recipient of case management services from a residential or day habilitation program licensed under chapter 245A.

Sec. 26. Minnesota Statutes 1988, section 256.045, subdivision 5, is amended to read:

Subd. 5. [ORDERS OF THE COMMISSIONER OF HUMAN SERVICES.] A state human services referee shall conduct a hearing on the appeal and shall recommend an order to the commissioner of human services. The recommended order must be based on all relevant evidence and must not be limited to a review of the propriety of the state or local agency's action. A referee may take official notice of adjudicative facts. The commissioner of human services may accept the recommended order of a state human services referee and issue the order to the local agency and the applicant, recipient, or former recipient, or prepaid health plan. The commissioner on refusing to accept the recommended order of the state human services referee, shall notify the local agency and the applicant, recipient, or former recipient, or prepaid health plan of that fact and shall state reasons therefor and shall allow each party ten days' time to submit additional written argument on the matter. After the expiration of the ten-day period, the commissioner shall issue an order on the matter to the local agency and the applicant, recipient, or former recipient, or prepaid health plan.

A party aggrieved by an order of the commissioner may appeal under subdivision 7, or request reconsideration by the commissioner within 30 days after the date the commissioner issues the order. The commissioner may reconsider an order upon request of any party or on the commissioner's own motion. A request for reconsideration does not stay implementation of the commissioner's order. Upon reconsideration, the commissioner may issue an amended order or an order affirming the original order.

Any order of the commissioner issued in accordance with under this subdivision shall be conclusive upon the parties unless appeal is taken in the manner provided by subdivision 7. Any order of the commissioner is binding on the parties and must be implemented by the state agency or a local agency until the order is reversed by the district court, or unless the commissioner or a district court orders monthly assistance or aid or services paid or provided under subdivision 10.

Except for a prepaid health plan, a vendor of medical care as defined in section 256B.02, subdivision 7, or a vendor under contract with a local agency to provide social services under section 256E.08,

subdivision 4, is not a party and may not request a hearing or seek judicial review of an order issued under this section.

Sec. 27. Minnesota Statutes 1988, section 256.045, subdivision 6, is amended to read:

Subd. 6. [ADDITIONAL POWERS OF THE COMMISSIONER; SUBPOENAS.] (a) The commissioner of human services may initiate a review of any action or decision of a local agency and direct that the matter be presented to a state human services referee for a hearing held pursuant to under subdivision 3, 3a, or 4a. In all matters dealing with human services committed by law to the discretion of the local agency, the commissioner's judgment may be substituted for that of the local agency. The commissioner may order an independent examination when appropriate.

(b) Any party to a hearing held pursuant to subdivision 3, 3a, or 4a may request that the commissioner issue a subpoena to compel the attendance of witnesses at the hearing. The issuance, service, and enforcement of subpoenas under this subdivision is governed by section 357.22 and the Minnesota Rules of Civil Procedure.

(c) The commissioner may issue a temporary order staying a proposed demission by a residential facility licensed under chapter 245A while an appeal by a recipient under subdivision 3 is pending, or for the period of time necessary for the local agency to implement the commissioner's order.

Sec. 28. Minnesota Statutes 1988, section 256.045, subdivision 7, is amended to read:

Subd. 7. [JUDICIAL REVIEW.] Any party who is aggrieved by an order of the commissioner of human services may appeal the order to the district court of the county responsible for furnishing assistance by serving a written copy of a notice of appeal upon the commissioner and any adverse party of record within 30 days after the date the commissioner issued the order, the amended order, or order affirming the original order, and by filing the original notice and proof of service with the court administrator of the district court. Service may be made personally or by mail; service by mail is complete upon mailing; no filing fee shall be required by the court administrator in appeals taken pursuant to this subdivision. The commissioner may elect to become a party to the proceedings in the district court. Any party may demand that the commissioner furnish all parties to the proceedings with a copy of the decision, and a transcript of any testimony, evidence, or other supporting papers from the hearing held before the human services referee, by serving a written demand upon the commissioner within 30 days after service of the notice of appeal. Any party aggrieved by the failure of an adverse party to obey an order issued by the commissioner under

subdivision 5 may compel performance according to the order in the manner prescribed in sections 586.01 to 586.12.

Sec. 29. Minnesota Statutes 1988, section 256.045, subdivision 10, is amended to read:

Subd. 10. [PAYMENTS PENDING APPEAL.] If the commissioner of human services or district court orders monthly assistance or aid or services paid or provided in any proceeding under this section, it shall be paid or provided pending appeal to the commissioner of human services, district court, court of appeals, or supreme court. The state or local agency has a claim for food stamps and cash payments made to a recipient or former recipient while an appeal is pending if the recipient or former recipient is determined ineligible for the food stamps and cash payments as a result of the appeal.

Sec. 30. [256.9685] [ESTABLISHMENT OF INPATIENT HOSPITAL PAYMENT SYSTEM.]

Subdivision 1. [AUTHORITY.] The commissioner shall establish procedures for determining medical assistance and general assistance medical care payment rates under a prospective payment system for inpatient hospital services in hospitals that qualify as vendors of medical assistance. The commissioner shall establish, by rule, procedures for implementing this section and sections 256.9686, 256.969, and 256.9695. The payment rates must be based on methods and standards that the commissioner finds are adequate to provide for the costs that must be incurred for the care of recipients in efficiently and economically operated hospitals. Services must meet the requirements of section 256B.04, subdivision 15, or 256D.03, subdivision 7, paragraph (b), to be eligible for payment.

Subd. 2. [FEDERAL REQUIREMENTS.] If it is determined that a provision of this section or section 256.9686, 256.969, or 256.9695 conflicts with existing or future requirements of the United States government with respect to federal financial participation in medical assistance, the federal requirements prevail. The commissioner may, in the aggregate, prospectively reduce payment rates to avoid reduced federal financial participation resulting from rates that are in excess of the medicare limitations.

Sec. 31. [256.9686] [DEFINITIONS.]

Subdivision 1. [SCOPE.] For purposes of this section and sections 256.9685, 256.969, and 256.9695, the following terms and phrases have the meanings given.

Subd. 2. [BASE YEAR.] "Base year" means a hospital's fiscal year that is recognized by the Medicare program or a hospital's fiscal

year specified by the commissioner if a hospital is not required to file information by the Medicare program from which cost and statistical data are used to establish medical assistance and general assistance medical care payment rates.

Subd. 3. [CASE MIX INDEX.] "Case mix index" means a hospital's distribution of relative values among the diagnostic categories.

Subd. 4. [CHARGES.] "Charges" means the usual and customary payment requested of the general public.

Subd. 5. [COMMISSIONER.] "Commissioner" means the commissioner of human services.

Subd. 6. [HOSPITAL.] "Hospital" means a facility licensed under sections 144.50 to 144.58 or an out-of-state facility licensed under the requirements of that state in which it is located.

Subd. 7. [MEDICAL ASSISTANCE.] "Medical assistance" means the program established under chapter 256B and Title XIX of the Social Security Act. Medical assistance includes general assistance medical care established under chapter 256D, unless otherwise specifically stated.

Subd. 8. [RATE YEAR.] "Rate year" means a calendar year from January 1 to December 31.

Subd. 9. [RELATIVE VALUE.] "Relative value" means the average allowable cost of inpatient services provided within a diagnostic category divided by the average allowable cost of inpatient services provided in all diagnostic categories.

Sec. 32. Minnesota Statutes 1988, section 256.969, is amended to read:

256.969 [INPATIENT HOSPITALS PAYMENT RATES.]

Subdivision 1. [ANNUAL HOSPITAL COST INDEX.] The commissioner of human services shall develop a prospective payment system for inpatient hospital service under the medical assistance and general assistance medical care programs. Rates established for licensed hospitals for rate years beginning during the fiscal biennium ending June 30, 1987, shall not exceed an annual hospital cost index for the final rate allowed to the hospital for the preceding year not to exceed five percent in any event. The annual hospital cost index shall be obtained from an independent source representing and shall represent a statewide weighted average of inflation historical and projected cost change estimates determined for expense categories to include wages and salaries, employee benefits, medical and professional fees, raw food, medical supplies, pharma-

ceuticals, utilities, repairs and maintenance, insurance other than including malpractice insurance, and other applicable expenses as determined by the commissioner. The index shall reflect the regional differences within the state and include a one percent increase to reflect changes in technology. The annual hospital cost index shall be published 30 days before the start of each calendar quarter and shall be applicable to all hospitals whose fiscal years start on or during the calendar quarter. Minnesota cost category weights. Individual indices shall be specific to Minnesota if the commissioner determines that sufficient accuracy of the hospital cost index is achieved. The hospital cost index shall be used to adjust the base year operating payment rate through the rate year on an annually compounded basis.

Subd. 2. [RATES FOR INPATIENT HOSPITALS DIAGNOSTIC CATEGORIES.] On July 1, 1984, The commissioner shall begin to utilize use to the extent possible existing diagnostic classification systems, including the system used by the Medicare program to determine the relative values of inpatient services and case mix indices. The commissioner may incorporate the grouping of hospitals with similar characteristics for uniform rates upon the development and implementation of the diagnostic classification system. Prior to implementation of the diagnostic classification system, the commissioner shall report the proposed grouping of hospitals to the senate health and human services committee and the house health and welfare committee. The commissioner may combine diagnostic classifications into diagnostic categories and may establish separate categories and numbers of categories based on program eligibility or hospital peer group. Relative values shall be recalculated when the base year is changed and shall not be determined on a hospital specific basis. Relative value determinations shall include paid claims for admissions during each hospital's base year. The commissioner may extend the time period forward to obtain sufficiently valid information to establish relative values. Relative value determinations shall not include property cost data, Medicare crossover data, and data from the transferring hospital on transfer discharges, except data on transfer discharges with a burn diagnostic classification or data on transfer discharges for the patient's convenience that have been reported by the hospital to the commissioner by the October 1 preceding the rate year. The computation of the base year cost per admission and the computation of the relative values of the diagnostic categories must include identified outlier cases and their weighted costs up to the point that they become outlier cases, but must exclude costs and days recognized in outlier payments beyond that point. Claims paid for care provided on or after August 1, 1985, shall be adjusted to reflect a recomputation of rates, unless disapproved by the federal Health Care Financing Administration. The state shall pay the state share of the adjustment for care provided on or after August 1, 1985, up to and including June 30, 1987, whether or not the adjustment is approved by the federal Health Care Financing Administration. The commissioner may reconstitute re-

categorize the diagnostic categories classifications and recalculate relative values and case mix indices to reflect actual hospital practices, the specific character of specialty hospitals, or to reduce variances within the diagnostic categories after notice in the State Register and a 30-day comment period. After May 1, 1986, acute care hospital billings under the medical assistance and general assistance medical care programs must not be submitted until the recipient is discharged. However, the commissioner shall establish monthly interim payments with inpatient hospitals that have individual patient lengths of stay in excess of 30 days regardless of diagnosis-related group. For purposes of establishing interim rates, the commissioner is exempt from the requirements of chapter 14. Medical assistance and general assistance medical care reimbursement for treatment of mental illness shall be reimbursed based upon diagnosis classifications. The commissioner may selectively contract with hospitals for services within the diagnostic classifications relating to mental illness and chemical dependency under competitive bidding when reasonable geographic access by recipients can be assured. No physician shall be denied the privilege of treating a recipient required to utilize a hospital under contract with the commissioner, as long as the physician meets credentialing standards of the individual hospital. Effective July 1, 1988, the commissioner shall limit the annual increase in pass-through cost payments for depreciation, rents and leases, and interest expense to the annual growth in the hospital cost index described in subdivision 1. When computing budgeted pass-through cost payments, the commissioner shall use the annual increase in the hospital cost index forecasted by Data Resources, Inc. consistent with the quarter of the hospital's fiscal year end. In final settlement of pass-through cost payments, the commissioner shall use the hospital cost index for the month in which the hospital's fiscal year ends compared to the same month one year earlier.

Subd. 2a. [AUDIT ADJUSTMENTS TO INPATIENT HOSPITAL RATES.] Inpatient hospital rates established under subdivision 2 using 1981 historical medicare cost report data may be adjusted based on the findings of audits of hospital billings and patient records performed by the commissioner that identify billings for services that were not delivered or never ordered. The audit findings may be based on a statistically valid sample of billings of the hospital. After the audits are complete, the commissioner shall adjust rates paid in subsequent years to reflect the audit findings and recover payments in excess of the adjusted rates or reimburse hospitals when audit findings indicate that underpayments were made to the hospital.

Subd. 2b. [OPERATING PAYMENT RATES.] In determining operating payment rates for admissions occurring on or after the rate year beginning January 1, 1991, and every two years after, or more frequently as determined by the commissioner, the commissioner shall obtain operating data from an updated base year and

establish operating payment rates per admission for each hospital based on the cost-finding methods and allowable costs of the Medicare program in effect during the base year. The base year operating payment rate per admission is standardized by the case mix index and adjusted by the hospital cost index, relative values, and disproportionate population adjustment. The cost and charge data used to establish operating rates shall only reflect inpatient services covered by medical assistance and shall not include property cost information and costs recognized in outlier payments.

Subd. 2c. [PROPERTY PAYMENT RATES.] For each hospital's first two consecutive fiscal years beginning on or after July 1, 1988, the commissioner shall limit the annual increase in property payment rates for depreciation, rents and leases, and interest expense to the annual growth in the hospital cost index derived from the methodology in effect on the day before the effective date of this section. When computing budgeted and settlement property payment rates, the commissioner shall use the annual increase in the hospital cost index forecasted by Data Resources, Inc., consistent with the quarter of the hospital's fiscal year end. For admissions occurring on or after January 1, 1991, the commissioner shall obtain property data from an updated base year and establish property payment rates per admission for each hospital. Property payment rates shall be derived from data from the same base year that is used to establish operating payment rates. The property information shall include cost categories not subject to the hospital cost index and shall reflect the cost-finding methods and allowable costs of the Medicare program in effect during the base year. The property payment rate per admission shall be adjusted for technology changes by increasing the property payment rate one percent compounded annually from the base year through the rate year. The cost and charge data used to establish property rates shall only reflect inpatient services covered by medical assistance and shall not include operating cost information. The commissioner shall adjust rates for the rate year beginning January 1, 1991, to ensure that all hospitals are subject to the hospital cost index limitation for two complete years.

Subd. 3. [SPECIAL CONSIDERATIONS.] (a) In determining the rate the commissioner of human services will take into consideration whether the following circumstances exist:

(1) minimal medical assistance and general assistance medical care utilization;

(2) unusual length of stay experience; and

(3) disproportionate numbers of low-income patients served.

(b) To the extent of available appropriations, the commissioner shall provide supplemental grants directly to a hospital described in

section 256B.031, subdivision 10, paragraph (a), that receives medical assistance payments through a county-managed health plan that serves only residents of the county. The payments must be designed to compensate for actuarially demonstrated higher health care costs within the county, for the population served by the plan, that are not reflected in the plan's rates under section 256B.031, subdivision 4.

(e) The computation of each hospital's payment rate and the relative values of the diagnostic categories are not subject to the routine service cost limitation imposed under the Medicare program.

(d) Indian health service facilities are exempt from the rate establishment methods required by this section and section 256D.03, subdivision 4, and shall be reimbursed at the facility's usual and customary charges to the general public.

(e) Out-of-state hospitals that are located within a Minnesota local trade area shall have rates established using the same procedures and methods that apply to Minnesota hospitals. Hospitals that are not required by law to file information in a format necessary to establish rates shall have rates established based on the commissioner's estimates of the information. Relative values of the diagnostic categories shall not be redetermined under this paragraph until required by rule and hospitals affected by this paragraph shall then be included in determining relative values. However, hospitals that have rates established based upon the commissioner's estimates of information shall not be included in determining relative values. This paragraph is effective for hospital fiscal years beginning on or after July 1, 1988. A hospital shall provide the information necessary to establish rates under this paragraph at least 90 days before the start of the hospital's fiscal year.

(f) Hospitals that are not located within Minnesota or a Minnesota local trade area shall have rates established as provided in paragraph (e) or, at the commissioner's discretion, at an amount negotiated by the commissioner. Relative values shall not be affected by negotiated rates.

(g) For inpatient hospital originally paid admissions, excluding Medicare cross-overs, provided from July 1, 1988, through June 30, 1989, hospitals with 100 or fewer medical assistance annualized paid admissions, excluding Medicare cross-overs, that were paid by March 1, 1988, for admissions paid during the period January 1, 1987, to June 30, 1987, shall have medical assistance inpatient payments increased 30 percent. Hospitals with more than 100 but fewer than 250 medical assistance annualized paid admissions, excluding Medicare cross-overs, that were paid by March 1, 1988, for admissions paid during the period January 1, 1987, to June 30, 1987, shall have medical assistance inpatient payments increased

20 percent for inpatient hospital originally paid admissions, excluding Medicare cross-overs, provided from July 1, 1988, through June 30, 1989. This provision applies only to hospitals that have 100 or fewer licensed beds on March 1, 1988.

Subd. 3a. [PAYMENTS.] Acute care hospital billings under the medical assistance program must not be submitted until the recipient is discharged. However, the commissioner shall establish monthly interim payments for inpatient hospitals that have individual patient lengths of stay over 30 days regardless of diagnostic category. To establish interim rates, the commissioner is exempt from the requirements of chapter 14. Medical assistance reimbursement for treatment of mental illness shall be reimbursed based on diagnostic classifications. The commissioner may selectively contract with hospitals for services within the diagnostic categories relating to mental illness and chemical dependency under competitive bidding when reasonable geographic access by recipients can be assured. No physician shall be denied the privilege of treating a recipient required to use a hospital under contract with the commissioner, as long as the physician meets credentialing standards of the individual hospital. Individual hospital payments established under this section and sections 256.9685, 256.9686, and 256.9695, in addition to third party liability, for admissions occurring during the rate year shall not exceed, in aggregate, the charges for the medical assistance covered inpatient services paid for the same period of time to the hospital. This payment limitation is not applicable and shall not be calculated to include general assistance medical care services. Services that have rates established under subdivision 6a, paragraph (a), clause (5) or (6), must be limited separately from other services. After consulting with the affected hospitals, the commissioner may consider related hospitals one entity and may merge the payment rates while maintaining separate provider numbers. The operating and property base rates per admission or per day shall be derived from the best Medicare and claims data available when rates are established. The commissioner shall determine the best Medicare and claims data, taking into consideration variables of recency of the data, audit disposition, settlement status, and the ability to set rates in a timely manner. The commissioner shall notify hospitals of payment rates by December 1 of the year preceding the rate year. The rate setting data must reflect the admissions data used to establish relative values. Base year changes from 1981 to the base year established for the rate year beginning January 1, 1991, and for subsequent rate years, shall not be limited to the limits ending June 30, 1987, on the maximum rate of increase under subdivision 1. The commissioner may adjust base year cost, relative value, and case mix index data to exclude the costs of services that have been discontinued by the October 1 of the year preceding the rate year or that are paid separately from inpatient services. Inpatient stays that encompass portions of two or more rate years shall have payments established based on payment rates in effect at the time of admission unless the

date of admission preceded the rate year in effect by six months or more. In this case, operating payment rates for services rendered during the rate year in effect and established based on the date of admission shall be adjusted to the rate year in effect by the hospital cost index.

**Subd. 4. [APPEALS BOARD.]** An appeals board shall be established for purposes of hearing reports for changes in the rate per admission. The appeals board shall consist of two public representatives, two representatives of the hospital industry, and one representative of the business or consumer community. The appeals board shall advise the commissioner on adjustments to hospital rates under this section.

**Subd. 4a. [REPORTS.]** If, under this section or section 256.9685, 256.9686, or 256.9695, a hospital is required to report information to the commissioner by a specified date, the hospital must report the information on time. If the hospital does not report the information on time, the commissioner may determine the information that will be used and may disregard the information that is reported late. If the Medicare program does not require or does not audit information that is needed to establish medical assistance rates, the commissioner may, after consulting the affected hospitals, require reports to be provided, in a format specified by the commissioner, that are based on allowable costs and cost-finding methods of the Medicare program in effect during the base year. The commissioner may require any information that is necessary to implement this section and sections 256.9685, 256.9686, and 256.9695 to be provided by a hospital within a reasonable time period.

**Subd. 5. [APPEAL RIGHTS.]** Nothing in this section supersedes the contested case provisions of chapter 14, the administrative procedure act.

**Subd. 5a. [AUDITS AND ADJUSTMENTS.]** Inpatient hospital rates and payments must be established under this section and sections 256.9685, 256.9686, and 256.9695. The commissioner may adjust rates and payments based on the findings of audits of payments to hospitals, hospital billings, costs, statistical information, charges, or patient records performed by the commissioner or the Medicare program that identify billings, costs, statistical information, or charges for services that were not delivered, never ordered, in excess of limits, not covered by the medical assistance program, paid separately from rates established under this section and sections 256.9685, 256.9686, and 256.9695, or for charges that are not consistent with other payor billings. Charges to the medical assistance program must be less than or equal to charges to the general public. Charges to the medical assistance program must not exceed the lowest charge to any other payor. The audit findings may be based on a statistically valid sample of hospital information that is needed to complete the audit. If the information the commissioner

uses to establish rates or payments is not audited by the Medicare program, the commissioner may require an audit using Medicare principles and may adjust rates and payments to reflect any subsequent audit.

Subd. 6. [RULES.] The commissioner of human services shall promulgate emergency and permanent rules to implement a system of prospective payment for inpatient hospital services pursuant to chapter 14, the administrative procedure act. Notwithstanding section 14.53, emergency rule authority authorized by Laws 1983, chapter 312, article 5, section 9, subdivision 6, shall extend to August 1, 1985.

Subd. 6a. [SPECIAL CONSIDERATIONS.] (a) In determining the payment rates, the commissioner shall consider whether the following circumstances exist:

(1) [MINIMAL MEDICAL ASSISTANCE USE.] Minnesota hospitals with 30 or fewer annualized admissions of Minnesota medical assistance recipients in the base year, excluding Medicare crossover admissions, may have the base year operating rates, as adjusted by the case mix index, and property payment rates established at the 70th percentile of hospitals in the peer group in effect during the base year as established by the Minnesota department of health for use by the rate review program. Rates within a peer group shall be adjusted for differences in fiscal years and outlier percentage payments before establishing the 70th percentile. The operating payment rate portion of the 70th percentile shall be adjusted by the hospital cost index. To have rates established under this paragraph, the hospital must notify the commissioner in writing by November 1 of the year preceding the rate year. This paragraph shall be applied to all payment rates of the affected hospital.

(2) [UNUSUAL COST OR LENGTH OF STAY EXPERIENCE.] The commissioner shall establish day and cost outlier thresholds for each diagnostic category established under subdivision 2 at two standard deviations beyond the geometric mean length of stay or allowable cost. Payment for the days and cost beyond the outlier threshold shall be in addition to the operating and property payment rates per admission established under subdivisions 2, 2b and 2c. Payment for outliers shall be at 70 percent of the allowable operating cost calculated by dividing the operating payment rate per admission, after adjustment by the case mix index, hospital cost index, relative values and the disproportionate population adjustment, by the arithmetic mean length of stay for the diagnostic category. The outlier threshold for neonatal and burn diagnostic categories shall be established at one standard deviation beyond the geometric mean length of stay or allowable cost, and payment shall be at 90 percent of allowable operating cost calculated in the same manner as other outliers. A hospital may choose an alternative percentage outlier payment to a minimum of 60 percent and a

maximum of 80 percent if the commissioner is notified in writing of the request by October 1 of the year preceding the rate year. The chosen percentage applies to all diagnostic categories except burns and neonates. The percentage of allowable cost that is unrecognized by the outlier payment shall be added back to the base year operating payment rate per admission. Cost outliers shall be calculated using hospital specific allowable cost data. If a stay is both a day and a cost outlier, outlier payments shall be based on the higher outlier payment.

(3) [DISPROPORTIONATE NUMBERS OF LOW-INCOME PATIENTS SERVED.] For admissions occurring on or after July 1, 1989, the medical assistance disproportionate population adjustment shall comply with federal law. The commissioner may establish a separate disproportionate population operating payment rate adjustment under the general assistance medical care program. For admissions occurring on or after January 1, 1991, the disproportionate population adjustment shall be derived from base year Medicare cost report data and may be adjusted by data reflecting actual claims paid by the department.

(4) [SEPARATE BILLING BY CERTIFIED REGISTERED NURSE ANESTHETISTS.] Hospitals may exclude certified registered nurse anesthetist costs from the operating payment rate as allowed by section 256B.0625, subdivision 11. To be eligible, a hospital must notify the commissioner in writing by October 1 of the year preceding the rate year of the request to exclude certified registered nurse anesthetist costs. The hospital must agree that all hospital claims for the cost and charges of certified registered nurse anesthetist services will not be included as part of the rates for inpatient services provided during the rate year. In this case, the operating payment rate shall be adjusted to exclude the cost of certified registered nurse anesthetist services. Payments made through separate claims for certified registered nurse anesthetist services shall not be paid directly through the hospital provider number or indirectly by the certified registered nurse anesthetist to the hospital or related organizations.

(5) [SPECIAL RATES.] The commissioner may establish special rate-setting methodologies, including a per day operating and property payment system, for hospice, ventilator dependent, and other services on a hospital and recipient specific basis taking into consideration such variables as federal designation, program size, and admission from a medical assistance waiver or home care program. The data and rate calculation method shall conform to the requirements of paragraph (7), except that hospice rates shall not exceed the amount allowed under federal law and payment shall be secondary to any other medical assistance hospice program. Rates and payments established under this paragraph must meet the requirements of section 256.9685, subdivisions 1 and 2, and must not exceed payments that would otherwise be made to a hospital in

total for rate year admissions under subdivisions 2, 2b, 2c, 3, 4, 5, and 6. The cost and charges used to establish rates shall only reflect inpatient medical assistance covered services. Hospital and claims data that are used to establish rates under this paragraph shall not be used to establish payments or relative values under subdivisions 2, 2b, 2c, 3, 4, 5, and 6.

(6) [REHABILITATION DISTINCT PARTS.] Units of hospitals that are recognized as rehabilitation distinct parts by the Medicare program shall have separate provider numbers under the medical assistance program for rate establishment and billing purposes only. These units shall also have operating and property payment rates and the disproportionate population adjustment established separately from other inpatient hospital services, based on the methods of subdivisions 2, 2b, 2c, 3, 4, 5, and 6. The commissioner may establish separate relative values under subdivision 2 for rehabilitation hospitals and distinct parts as defined by the Medicare program. For individual hospitals that did not have separate medical assistance rehabilitation provider numbers or rehabilitation distinct parts in the base year, hospitals shall provide the information needed to separate rehabilitation distinct part cost and claims data from other inpatient service data.

(7) [NEONATAL TRANSFERS.] Neonatal diagnostic category transfers shall have operating and property payment rates established on a per day payment system that is based on the cost finding methods and allowable costs of the Medicare program during the base year. The rate per day for the neonatal service setting within the hospital shall be determined by dividing base year neonatal allowable costs by neonatal patient days. The operating payment rate portion of the rate shall be adjusted by the hospital cost index and the disproportionate population adjustment. The cost and charges used to establish rates shall only reflect inpatient services covered by medical assistance. Hospital and claims data used to establish rates under this paragraph shall not be used to establish payments or relative values under subdivisions 2, 2b, 2c, 3, 4, 5, and 6.

(8) [TRANSFERS.] Except as provided in paragraphs (5) and (7), operating and property payment rates for admissions that result in transfers and transfers shall be established on a per day payment system. The per day payment rate shall be the sum of the adjusted operating and property payment rates determined in subdivisions 2b and 2c, divided by the arithmetic mean length of stay for the diagnostic category. Each admission that results in a transfer and each transfer is considered a separate admission to each hospital, and the total of the admission and transfer payments to each hospital must not exceed the total per admission payment that would otherwise be made to each hospital under paragraph (2) and subdivisions 2b and 2c.

(b) The computation of each hospital's payment rate and the relative values of the diagnostic categories are not subject to the routine service cost limitation imposed under the Medicare program.

(c) Indian health service facilities are exempt from the rate establishment methods required by this section and shall be reimbursed at the facility's usual and customary charges to the general public. This exemption is not effective for payments under general assistance medical care.

(d) Except as provided in paragraph (a), clauses (1) and (3), out-of-state hospitals that are located within a Minnesota local trade area shall have rates established using the same procedures and methods that apply to Minnesota hospitals. Hospitals that are not required by law to file information in a format necessary to establish rates shall have rates established based on the commissioner's estimates of the information. Relative values of the diagnostic categories shall not be redetermined under this paragraph until required by rule. Hospitals affected by this paragraph shall then be included in determining relative values. However, hospitals that have rates established based upon the commissioner's estimates of information shall not be included in determining relative values. This paragraph is effective for hospital fiscal years beginning on or after July 1, 1988. A hospital shall provide the information necessary to establish rates under this paragraph at least 90 days before the start of the hospital's fiscal year.

(e) Hospitals that are not located within Minnesota or a Minnesota local trade area shall have operating and property rates established at the average of statewide and local trade area rates or, at the commissioner's discretion, at an amount negotiated by the commissioner. Relative values shall not include data from hospitals that have rates established under this paragraph. Payments, including third party liability, established under this paragraph may not exceed the charges on a claim specific basis for inpatient services that are covered by medical assistance.

(f) Medical assistance inpatient payments shall increase 30 percent for inpatient hospital originally paid admissions, excluding Medicare crossovers, that occurred between July 1, 1988, and December 31, 1990, if: (i) the hospital had 100 or fewer Minnesota medical assistance annualized paid admissions, excluding Medicare crossovers, that were paid by March 1, 1988 for the period January 1, 1987, to June 30, 1987; (ii) the hospital had 100 or fewer licensed beds on March 1, 1988; (iii) the hospital is located in Minnesota; and (iv) the hospital is not located in a city of the first class as defined in section 410.01. For this paragraph, medical assistance does not include general assistance medical care.

(g) Medical assistance inpatient payments shall increase 20

percent for inpatient hospital originally paid admissions, excluding Medicare crossovers, that occurred between July 1, 1988, and December 31, 1990, if: (i) the hospital had more than 100 but fewer than 250 Minnesota medical assistance annualized paid admissions, excluding Medicare crossovers, that were paid by March 1, 1988 for the period January 1, 1987, to June 30, 1987; (ii) the hospital had 100 or fewer licensed beds on March 1, 1988; (iii) the hospital is located in Minnesota; and (iv) the hospital is not located in a city of the first class as defined in section 410.01. For this paragraph, medical assistance does not include general assistance medical care.

(h) Medical assistance inpatient payment rates must include the cost incurred by hospitals to pay the department of health for metabolic disorder testing of newborns who are medical assistance recipients, if the cost is not recognized by another payment source.

**Sec. 33. [256.9695] [APPEALS OF RATES; PROHIBITED PRACTICES FOR HOSPITALS; TRANSITION RATES.]**

Subdivision 1. [APPEALS.] A hospital may appeal a decision arising from the application of standards or methods under section 256.9685, 256.9686, or 256.969, if an appeal would result in a change to the hospital's payment rate or payments. Both overpayments and underpayments that result from the submission of appeals shall be implemented. Regardless of any appeal outcome, relative values shall not be recalculated. The appeal shall be heard by an administrative law judge according to sections 14.48 to 14.56, or upon agreement by both parties, according to a modified appeals procedure established by the commissioner and the office of administrative hearings. In any proceeding under this section, the appealing party must demonstrate by a preponderance of the evidence that the commissioner's determination is incorrect or not according to law.

(a) To appeal a payment rate or payment determination or a determination made from base year information, the hospital shall file a written appeal request to the commissioner within 60 days of the date the payment rate determination was mailed. The appeal request shall specify: (i) the disputed items; (ii) the authority in federal or state statute or rule upon which the hospital relies for each disputed item; and (iii) the name and address of the person to contact regarding the appeal. A change to a payment rate or payments that results from a successful appeal to the Medicare program of the base year information establishing rates for the rate year beginning in 1991 and after is a prospective adjustment to subsequent rate years. After December 31, 1990, payment rates shall not be adjusted for appeals of base year information that affect years prior to the rate year beginning January 1, 1991. Facts to be considered in any appeal of base year information are limited to those in existence at the time the payment rates of the first rate year were established from the base year information. In the case of

Medicare settled appeals, the 60-day appeal period shall begin on the mailing date of the notice by the Medicare program or the date the medical assistance payment rate determination notice is mailed, whichever is later.

(b) To appeal a payment rate or payment change that results from a difference in case mix between the base year and a rate year, the procedures and requirements of paragraph (a) apply. However, the appeal must be filed with the commissioner within 60 days after the end of a rate year. A case mix appeal must apply to the cost of services to all medical assistance patients that received inpatient services from the hospital during the rate year appealed. For this paragraph, hospital means a facility holding the provider number as an inpatient service facility.

Subd. 2. [PROHIBITED PRACTICES.] (a) Hospitals that have a provider agreement with the department may not limit medical assistance admissions to percentages of certified capacity or to quotas unless patients from all payors are limited in the same manner. This requirement does not apply to certified capacity that is unavailable due to contracts with payors for specific occupancy levels.

(b) Hospitals may not transfer medical assistance patients to or cause medical assistance patients to be admitted to other hospitals without the explicit consent of the receiving hospital when service needs of the patient are available and within the scope of the transferring hospital. The transferring hospital is liable to the receiving hospital for patient charges and ambulance services without regard to medical assistance payments plus the receiving hospital's reasonable attorney fees if found in violation of this prohibition.

Subd. 3. [TRANSITION.] Except as provided in section 256.969, subdivision 6a, paragraph (a), clause (3), the commissioner shall establish a transition period for the calculation of payment rates from the effective date of this section to December 31, 1990, as follows:

(a) Changes resulting from section 256.969, subdivision 6a, paragraph (a), clauses (1) to (8), shall not be implemented.

(b) Rates established for hospital fiscal years beginning on or after July 1, 1989, shall be adjusted for the one percent technology factor included in the hospital cost index.

(c) Operating payment rates shall be indexed from the hospital's most recent fiscal year ending prior to January 1, 1991, by prorating the hospital cost index methodology in effect on January 1, 1989.

(d) Property and pass-through payment rates shall be maintained at the most recent payment rate effective for June 1, 1990. However, all hospitals are subject to the hospital cost index limitation of subdivision 2c, for two complete fiscal years. Property and pass-through costs shall be retroactively settled through December 31, 1990. The laws in effect on the day before the effective date of this section apply to the retroactive settlement from the effective date of this section to December 31, 1990.

Subd. 4. [STUDY.] The commissioner shall contract for an evaluation of the inpatient and outpatient hospital payment systems. The study shall include recommendations concerning:

(1) more effective methods of assigning operating and property payment rates to specific services or diagnoses;

(2) effective methods of cost control and containment;

(3) fiscal impacts of alternative payment systems; and

(4) the relationships of the use of and payment for inpatient and outpatient hospital services.

The commissioner shall report the findings to the legislature by January 15, 1991, along with recommendations for implementation.

Subd. 5. [RULES.] The commissioner of human services shall adopt permanent rules to implement this section and sections 256.9685, 256.9686, and 256.969 under chapter 14, the administrative procedure act.

Sec. 34. Minnesota Statutes 1988, section 256B.031, subdivision 5, is amended to read:

Subd. 5. [FREE-CHOICE LIMITED.] (a) The commissioner may require recipients of aid to families with dependent children to enroll in a prepaid health plan and receive services from or through the prepaid health plan, with the following exceptions:

(1) recipients who are refugees and whose health services are reimbursed 100 percent by the federal government for the first 24 months after entry into the United States; and

(2) recipients who are placed in a foster home or facility. If placement occurs before the seventh day prior to the end of any month, the recipient will be disenrolled from the recipient's prepaid health plan effective the first day of the following month. If placement occurs after the seventh day before the end of any month, that recipient will be disenrolled from the prepaid health plan on the first day of the second month following placement. The prepaid health

plan must provide all services set forth in subdivision 2 during the interim period.

Enrollment in a prepaid health plan is mandatory only when recipients have a choice of at least two prepaid health plans.

(b) Recipients who become eligible on or after December 1, 1987, must choose a health plan within 30 days of the date eligibility is determined. At the time of application, the local agency shall ask the recipient whether the recipient has a primary health care provider. If the recipient has not chosen a health plan within 30 days but has provided the local agency with the name of a primary health care provider, the local agency shall determine whether the provider participates in a prepaid health plan available to the recipient and, if so, the local agency shall select that plan on the recipient's behalf. If the recipient has not provided the name of a primary health care provider who participates in an available prepaid health plan, commissioner shall randomly assign the recipient to a health plan.

(c) If possible, the local agency shall ask whether the recipient has a primary health care provider and the procedures under paragraph (b) shall apply. If a recipient does not choose a prepaid health plan by this date, the commissioner shall randomly assign the recipient to a health plan.

(d) The commissioner shall request a waiver from the federal Health Care Financing Administration to limit a recipient's ability to change health plans to once every six or 12 months. If such a waiver is obtained, each recipient must be enrolled in the health plan for a minimum of six or 12 months. A recipient may change health plans once within the first 60 days after initial enrollment.

(e) Women who are receiving medical assistance due to pregnancy and later become eligible for aid to families with dependent children are not required to choose a prepaid health plan until 60 days postpartum. An infant born as a result of that pregnancy must be enrolled in a prepaid health plan at the same time as the mother.

(f) If third-party coverage is available to a recipient through enrollment in a prepaid health plan through employment, through coverage by the former spouse, or if a duty of support has been imposed by law, order, decree, or judgment of a court under section 518.551, the obligee or recipient shall participate in the prepaid health plan in which the obligee has enrolled provided that the commissioner has contracted with the plan.

Sec. 35. Minnesota Statutes 1988, section 256B.04, subdivision 14, is amended to read:

Subd. 14. [COMPETITIVE BIDDING.] When determined to be

effective, economical, and feasible, the commissioner shall may utilize volume purchase through competitive bidding and negotiation under the provisions of chapter 16 16B, to provide the following items under the medical assistance program including but not limited to the following:

(1) eyeglasses;

(2) oxygen. The commissioner shall provide for oxygen needed in an emergency situation on a short-term basis, until the vendor can obtain the necessary supply from the contract dealer;

(3) hearing aids and supplies; and

(4) durable medical equipment, including but not limited to:

(a) hospital beds;

(b) commodes;

(c) glide-about chairs;

(d) patient lift apparatus;

(e) wheelchairs and accessories;

(f) oxygen administration equipment;

(g) respiratory therapy equipment;

(h) electronic diagnostic, therapeutic and life support systems;

(5) wheelchair specialized transportation services; and

(6) drugs.

Sec. 36. Minnesota Statutes 1988, section 256B.055, subdivision 7, is amended to read:

Subd. 7. [AGED, BLIND, OR DISABLED PERSONS.] Medical assistance may be paid for a person who meets the categorical eligibility requirements of the supplemental security income program and the other eligibility requirements of this section. The methodology for calculating disregards and deductions from income must be as specified in section 256D.37, subdivisions 6 to 14 the same methodology used for calculating income for the supplemental security income program except as specified otherwise by state or federal law.

Sec. 37. Minnesota Statutes 1988, section 256B.055, subdivision 8, is amended to read:

Subd. 8. [MEDICALLY NEEDED PERSONS WITH EXCESS INCOME OR ASSETS.] Medical assistance may be paid for a person who, except for the amount of income or assets, would qualify for supplemental security income for the aged, blind and disabled, or aid to families with dependent children, and who meets the other eligibility requirements of this section. However, in the case of families and children who meet the categorical eligibility requirements for aid to families with dependent children, the methodology for calculating assets shall be as specified in section 256.73, subdivision 2, except that the exclusion for an automobile shall be as in subdivision 3, clause (g), as long as acceptable to the health care financing administration, and the methodology for calculating deductions from earnings for child care and work expenses shall be as specified in section 256.74, subdivision 1.

Sec. 38. Minnesota Statutes 1988, section 256B.056, subdivision 3, is amended to read:

Subd. 3. [ASSET LIMITATIONS.] To be eligible for medical assistance, a person must not individually own more than \$3,000 in cash or liquid assets, or if a member of a household with two family members (husband and wife, or parent and child), the household must not own more than \$6,000 in cash or liquid assets, plus \$200 for each additional legal dependent. In addition to these maximum amounts, an eligible individual or family may accrue interest on these amounts, but they must be reduced to the maximum at the time of an eligibility redetermination. For residents of long-term care facilities, the accumulation of the clothing and personal needs allowance pursuant to section 256B.35 must also be reduced to the maximum at the time of the eligibility redetermination. ~~Cash and liquid assets may include a prepaid funeral contract and insurance policies with cash surrender value. The value of the following shall not be included: The value of the items in paragraphs (a) to (i) are not considered in determining medical assistance eligibility.~~

(a) The homestead; is not considered.

(b) Household goods and personal effects with a total equity value of \$2,000 or less; are not considered.

(c) Personal property used as a regular abode by the applicant or recipient; is not considered.

(d) A lot in a burial plot for each member of the household; is not considered.

(e) Capital and operating assets of a trade or business that the

local agency determines are necessary to the person's ability to earn an income, are not considered.

(f) For a period of six months, insurance settlements to repair or replace damaged, destroyed, or stolen property, are not considered.

(g) One motor vehicle that is licensed pursuant to chapter 168 and defined as: (1) passenger automobile, (2) station wagon, (3) motorcycle, (4) motorized bicycle or (5) truck of the weight found in categories A to E, of section 168.013, subdivision 1e, and that is used primarily for the person's benefit, and (h) other items which may be required by federal law or statute is not considered.

To be excluded, the vehicle must have a market value of less than \$4,500; be necessary to obtain medically necessary health services; be necessary for employment; be modified for operation by or transportation of a handicapped person; or be necessary to perform essential daily tasks because of climate, terrain, distance, or similar factors. The equity value of other motor vehicles is counted against the ~~cash or liquid asset~~ limit.

(h) Life insurance policies and assets designated as burial expenses, according to the standards and restrictions of the supplemental security income (SSI) program.

(i) Other items which may be excluded by federal law are not considered.

Sec. 39. Minnesota Statutes 1988, section 256B.056, subdivision 4, is amended to read:

Subd. 4. [INCOME.] To be eligible for medical assistance, a person must not have, or anticipate receiving, semiannual income in excess of ~~115~~ 133 $\frac{1}{3}$  percent of the income standards by family size used in the aid to families with dependent children program, ~~except that families and children may have an income up to 133 $\frac{1}{3}$  percent of the AFDC income standard.~~ Notwithstanding any laws or rules to the contrary, in computing income to determine eligibility of persons who are not residents of long-term care facilities, the commissioner shall disregard increases in income as required by Public Law Numbers 94-566, section 503; 99-272; and 99-509.

Sec. 40. Minnesota Statutes 1988, section 256B.056, subdivision 5, is amended to read:

Subd. 5. [EXCESS INCOME.] A person who has excess income is eligible for medical assistance if the person has expenses for medical care that are more than the amount of the person's excess income, computed by deducting incurred medical expenses from the excess income to reduce the excess to the income standard specified in

subdivision 4. The person shall elect to have the medical expenses deducted monthly at the beginning of a one-month budget period or at the beginning of the a six-month budget period; or who is a pregnant woman or infant up to one year of age who meets the requirements of section 256B.055, subdivisions 1 to 9, except that her anticipated income is in excess of the income standards by family size used in the aid to families with dependent children program, but is equal to or less than 185 percent of the federal poverty guideline for the same family size. Eligibility for a pregnant woman or infant up to one year of age with respect to this clause shall be without regard to the asset standards specified in subdivisions 2 and 4. For persons who reside in licensed nursing homes, regional treatment centers, or medical institutions, the income over and above that required in section 256B.35 for personal needs allowance is to be applied to the cost of institutional care. In addition, income may be retained by an institutionalized person (a) to support dependents in the amount that, together with the income of the spouse and child under age 18, would provide net income equal to the medical assistance standard for the family size of the dependents excluding the person residing in the facility; or (b) for a period of up to three calendar months, in an amount equal to the medical assistance standard for a family size of one if the person was not living together with a spouse or child under age 21 at the time the person entered a long-term care facility, if the person has expenses of maintaining a residence in the community, and if a physician certifies that the person is expected to reside in the long-term care facility on a short-term basis. For purposes of this section, persons are determined to be residing in licensed nursing homes, regional treatment centers, or medical institutions if the persons are expected to remain for a period expected to last longer than three months. The commissioner of human services may establish a schedule of contributions to be made by the spouse of a nursing home resident to the cost of care. The commissioner shall seek applicable waivers from the secretary of health and human services to allow persons eligible for assistance on a spend-down basis under this section to elect to pay the monthly spend-down amount to the local agency in order to maintain eligibility on a continuous basis for medical assistance and to simplify payment to health care providers. If the local agency has not received payment of the spend-down amount by the 15th day of the month, the recipient is ineligible for this option for the following month. The commissioner may seek a waiver of the Social Security Act that all requirements be uniform statewide, to phase in this option over a six-month period.

Sec. 41. [256B.057] [ELIGIBILITY; QUALIFIED MEDICARE BENEFICIARIES.]

A person who is entitled to Part A Medicare benefits, whose income is less than 85 percent of the federal poverty guidelines, and whose assets are no more than twice the asset limit used to

determine eligibility for the supplemental security income program, is eligible for medical assistance reimbursement of Part A and Part B premiums, Part A and Part B coinsurance and deductibles, and cost-effective premiums for enrollment with a health maintenance organization or a competitive medical plan under section 1876 of the Social Security Act. The income limit shall be increased to 90 percent of the federal poverty guidelines on January 1, 1990; to 95 percent on January 1, 1991; and to 100 percent on January 1, 1992. Reimbursement of the Medicare coinsurance and deductibles must not exceed the total rate the provider would have received for the same service or services if the person were a medical assistance recipient. Adjustments in the income limits due to annual changes in the federal poverty guidelines shall be implemented the first day of July following publication.

Sec. 42. [256B.058] [AVAILABILITY OF INCOME FOR INSTITUTIONALIZED PERSONS.]

When an institutionalized person is determined eligible for medical assistance, the income that exceeds the deductions in paragraphs (a) and (b) must be applied to the cost of institutional care.

(a) The following amounts must be deducted from the institutionalized person's income in the following order:

(1) the personal needs allowance under section 256B.35;

(2) the personal allowance for disabled individuals under section 256B.36;

(3) a community spouse monthly needs allowance determined under subdivision 2, but only to the extent income of the institutionalized spouse is made available to the community spouse;

(4) a monthly family allowance, for other family members, equal to one-third of the difference between 122 percent of the federal poverty guidelines and the monthly income for that family member;

(5) amounts for reasonable expenses incurred for necessary medical or remedial care for the institutionalized spouse that are not medical assistance covered expenses and that are not subject to payment by a third party; and

(6) if the institutionalized person has a guardian or conservator, five percent of the recipient's gross monthly income up to \$100 as reimbursement for guardianship or conservatorship services.

For purposes of clause (4), family member includes only minor or dependent children, dependent parents, or dependent siblings of the

institutionalized or community spouse if the sibling resides with the community spouse.

(b) Income shall be allocated to an institutionalized person for a period of up to three calendar months, in an amount equal to the medical assistance standard for a family size of one if:

(1) a physician certifies that the person is expected to reside in the long-term care facility for three calendar months or less;

(2) if the person has expenses of maintaining a residence in the community; and

(3) if one of the following circumstances apply:

(i) the person was not living together with a spouse or a family member as defined in paragraph (a) when the person entered a long-term care facility; or

(ii) the person and the person's spouse become institutionalized on the same date, in which case the allocation shall be applied to the income of one of the spouses.

For purposes of this paragraph, a person is determined to be residing in a licensed nursing home, regional treatment center, or medical institution if the person is expected to remain for a period of one full calendar month or more.

Sec. 43. [256B.059] [PROHIBITIONS ON TRANSFER; EXCEPTIONS.]

Subdivision 1. [PROHIBITED TRANSFERS.] If an institutionalized person has given away, sold, or disposed of, for less than fair market value, any asset or interest therein, except assets other than the homestead that are excluded under section 256B.056, subdivision 3, within 30 months of the date of institutionalization if the person has been determined eligible for medical assistance, or within 30 months of the date of the first approved application for medical assistance if the person has not yet been determined eligible for medical assistance, the person is ineligible for long-term care services for the period of time determined under subdivision 7. For purposes of this section, long-term care services include nursing facility services, and home and community-based services provided pursuant to section 256B.491. For purposes of this subdivision and subdivisions 7, 8, and 9, "institutionalized person" includes a person who is an inpatient in a nursing facility, or who is receiving home and community-based services under section 256B.491.

Subd. 2. [PERIOD OF INELIGIBILITY.] For any uncompensated transfer, the number of months of ineligibility for long-term care

services shall be the lesser of 30 months, or the uncompensated transfer amount divided by the average medical assistance rate for nursing facility services in the state in effect on the date of application. The amount used to calculate the average medical assistance payment rate shall be adjusted each July 1 to reflect payment rates for the previous calendar year. The period of ineligibility begins with the month in which the assets were transferred. The uncompensated transfer amount is the fair market value of the asset at the time it was given away, sold, or disposed of, less the amount of compensation received.

Subd. 3. [HOMESTEAD EXCEPTION TO TRANSFER PROHIBITION.] (a) An institutionalized person is not ineligible for long-term care services due to a transfer of assets for less than fair market value if the asset transferred was a homestead and:

(1) title to the homestead was transferred to the individual's

(i) spouse;

(ii) child who is under age 21;

(iii) blind or permanently and totally disabled child as defined in the supplemental security income program;

(iv) sibling who has equity interest in the home and who was residing in the home for a period of at least one year immediately before the date of the individual's admission to the facility; or

(v) son or daughter who was residing in the individual's home for a period of at least two years immediately before the date of the individual's admission to the facility, and who provided care to the individual that permitted the individual to reside at home rather than in an institution or facility;

(2) a satisfactory showing is made that the individual intended to dispose of the homestead at fair market value or for other valuable consideration; or

(3) the local agency grants a waiver of the excess resources created by the uncompensated transfer because denial of eligibility would cause undue hardship for the individual, based on imminent threat to the individual's health and well-being.

(b) When a waiver is granted under paragraph (a), clause (3), a cause of action exists against the person to whom the homestead was transferred for that portion of long-term care services granted within 30 months of the transfer or the amount of the uncompensated transfer, whichever is less, together with the costs incurred due to the action. The action may be brought by the state or the local

agency responsible for providing medical assistance under chapter 256G.

Subd. 4. [OTHER EXCEPTIONS TO TRANSFER PROHIBITION.] Notwithstanding subdivisions 1 to 6, an institutionalized person who applies for medical assistance and who has transferred assets for less than fair market value within 30 months immediately before the month of application is not ineligible for long-term care services if one of the following conditions apply:

(1) the assets were transferred to the community spouse, provided the spouse does not transfer the assets to another person for less than fair market value; or to the individual's child who is blind or permanently and totally disabled as determined in the supplemental security income program; or

(2) a satisfactory showing is made that the individual intended to dispose of the assets either at fair market value or for other valuable consideration; or

(3) the local agency determines that denial of eligibility for long-term care services would work an undue hardship, and grants a waiver of excess assets. When a waiver is granted, a cause of action exists against the person to whom the assets were transferred for that portion of long-term care services granted within 30 months of the transfer, or the amount of the uncompensated transfer, whichever is less, together with the costs incurred due to the action. The action may be brought by the state or the local agency responsible for providing medical assistance under chapter 256G.

Sec. 44. Minnesota Statutes 1988, section 256B.062, is amended to read:

256B.062 [CONTINUED ELIGIBILITY.]

Subdivision 1. Any family which was eligible for aid to families with dependent children in at least three of the six months immediately preceding the month in which the family became ineligible for aid to families with dependent children because of increased income from employment shall, while a member of the family is employed, remain eligible for medical assistance for four calendar months following the month in which the family would otherwise be determined to be ineligible due to the income and resources limitations of this chapter.

Subd. 2. A family whose eligibility for aid to families with dependent children is terminated because of the loss of the \$30, or the \$30 and one-third earned income disregard is eligible for medical assistance for 12 calendar months following the month in which the family loses medical assistance eligibility as an aid to

families with dependent children recipient. Medical assistance may be paid for persons who received aid to families with dependent children in at least three of the six months preceding the month in which the person became ineligible for aid to families with dependent children, if the ineligibility was due to an increase in hours of employment or employment income or due to the loss of an earned income disregard. A person who is eligible for extended medical assistance is entitled to six months of assistance without reapplication, unless the assistance unit ceases to include a dependent child. For a person under 21 years of age, medical assistance may not be discontinued within the six-month period of extended eligibility until it has been determined that the person is not otherwise eligible for medical assistance. Medical assistance may be continued for an additional six months if the person meets all requirements for the additional six months, according to Title XIX of the Social Security Act, as amended by section 303 of the Family Support Act of 1988, Public Law Number 100-485.

Sec. 45, Minnesota Statutes 1988, section 256B.0625, subdivision 13, is amended to read:

Subd. 13. [DRUGS.] (a) Medical assistance covers drugs if prescribed by a licensed practitioner. The commissioner shall designate a formulary committee to advise the commissioner on the names of drugs for which payment is made, recommend a system for reimbursing providers on a set fee or charge basis rather than the present system, and develop methods encouraging use of generic drugs when they are less expensive and equally effective as trademark drugs. The commissioner shall appoint the formulary committee members no later than 30 days following July 1, 1981. The formulary committee shall consist of nine members, four of whom shall be physicians who are not employed by the department of human services, and a majority of whose practice is for persons paying privately or through health insurance, three of whom shall be pharmacists who are not employed by the department of human services, and a majority of whose practice is for persons paying privately or through health insurance, a consumer representative, and a nursing home representative. Committee members shall serve two-year terms and shall serve without compensation. The commissioner may establish a drug formulary. Its establishment and publication shall not be subject to the requirements of the administrative procedure act, but the formulary committee shall review and comment on the formulary contents. Prior authorization may be required by the commissioner, with the consent of the drug formulary committee, before certain formulary drugs are eligible for payment. The formulary shall not include: drugs or products for which there is no federal funding; over-the-counter drugs, except for antacids, acetaminophen, family planning products, aspirin, insulin, prenatal vitamins, and vitamins for children under the age of seven and pregnant or nursing women; or any other over-the-counter drug identified by the commissioner, in consultation with

the appropriate professional consultants under contract with or employed by the state agency, as necessary, appropriate and cost effective for the treatment of certain specified chronic diseases, conditions or disorders, and this determination shall not be subject to the requirements of chapter 14, the administrative procedure act; nutritional products, except for those products needed for treatment of phenylketonuria, hyperlysinemia, maple syrup urine disease, a combined allergy to human milk, cow milk, and soy formula, or any other childhood or adult diseases, conditions, or disorders identified by the commissioner as requiring a similarly necessary nutritional product; anorectics; and drugs for which medical value has not been established. Separate payment shall not be made for nutritional products for residents of long-term care facilities; payment for dietary requirements is a component of the per diem rate paid to these facilities. Payment to drug vendors shall not be modified before the formulary is established except that the commissioner shall not permit payment for any drugs which may not by law be included in the formulary, and the commissioner's determination shall not be subject to chapter 14, the administrative procedure act. The commissioner shall publish conditions for prohibiting payment for specific drugs after considering the formulary committee's recommendations.

(b) The basis for determining the amount of payment shall be the lower of the actual acquisition costs of the drugs plus a fixed dispensing fee established by the commissioner, the maximum allowable cost set by the federal government or by the commissioner plus the fixed dispensing fee or the usual and customary price charged to the public. Actual acquisition cost includes quantity and other special discounts except time and cash discounts. The actual acquisition cost of a drug may be estimated by the commissioner. The maximum allowable cost of a multisource drug may be set by the commissioner and it shall be comparable to, but no higher than, the maximum amount paid by other third party payors in this state who have maximum allowable cost programs. Establishment of the amount of payment for drugs shall not be subject to the requirements of the administrative procedure act. An additional dispensing fee of \$.30 may be added to the dispensing fee paid to pharmacists for prescriptions dispensed to residents of long-term care facilities when a unit dose blister card system, approved by the department, is used. Under this type of dispensing system, the pharmacist must dispense a 30-day supply of drug. The National Drug Code (NDC) from the drug container used to fill the blister card must be identified on the claim to the department. The unit dose blister card containing the drug must meet the packaging standards set forth in Minnesota Rules, part 6800.2700, that govern the return of unused drugs to the pharmacy for reuse. The pharmacy provider will be required to credit the department for the actual acquisition cost of all unused drugs that are eligible for reuse. Whenever a generically equivalent product is available, payment shall be on the basis of the actual acquisition cost of the generic drug, unless the prescriber specifi-

cally indicates "dispense as written" on the prescription as required by section 151.21, subdivision 2. Implementation of any change in the fixed dispensing fee that has not been subject to the administrative procedure act is limited to not more than 180 days, unless, during that time, the commissioner initiates rulemaking through the administrative procedure act.

Sec. 46. Minnesota Statutes 1988, section 256B.0625, is amended by adding a subdivision to read:

Subd. 26. [SPECIAL EDUCATION SERVICES.] Medical assistance covers medical services identified in a recipient's individualized education plan. The services must be provided by a Minnesota school district that is enrolled as a medical assistance provider or its subcontractor, and only if the services meet all the requirements otherwise applicable if the service had been provided by a provider other than a school district, in the following areas: medical necessity, physician's orders, documentation, personnel qualifications, and prior authorization requirements. Medical assistance coverage for medically necessary services provided under other subdivisions in this section may not be denied solely on the basis that the same or similar services are covered under this subdivision.

Sec. 47. Minnesota Statutes 1988, section 256B.092, subdivision 7, is amended to read:

Subd. 7. [SCREENING TEAMS ESTABLISHED.] Each county agency shall establish a screening team which, under the direction of the county case manager, shall make an evaluation of need for home and community-based services of persons who are entitled to the level of care provided by an intermediate care facility for persons with mental retardation or related conditions or for whom there is a reasonable indication that they might require the level of care provided by an intermediate care facility. The screening team shall make an evaluation of need within 15 working days of the date that the assessment is completed or within 60 working days of a request for service by a person with mental retardation or related conditions, whichever is the earlier, and within five working days of an emergency admission of an individual to an intermediate care facility for persons with mental retardation or related conditions. The screening team shall consist of the case manager, the client, a parent or guardian, and a qualified mental retardation professional, as defined in the Code of Federal Regulations, title 42, section 442.401-483.430, as amended through December 31, 1987. June 3, 1988. The case manager may also act as the qualified mental retardation professional if the case manager meets the federal definition. County social service agencies may contract with a public or private agency or individual who is not a service provider for the person for the public guardianship representation required by the screening or individual service and habilitation planning process. The contract shall be limited to public guardianship representation for the

screening and individual service and habilitation planning activities. The contract shall require compliance with the commissioner's instructions, and may be for paid or voluntary services. For individuals determined to have overriding health care needs, a registered nurse must be designated as either the case manager or the qualified mental retardation professional. The case manager shall consult with the client's physician, other health professionals or other persons as necessary to make this evaluation. The case manager, with the concurrence of the client or the client's legal representative, may invite other persons to attend meetings of the screening team. No member of the screening team shall have any direct or indirect service provider interest in the case.

Sec. 48. Minnesota Statutes 1988, section 256B.14, is amended to read:

256B.14 [RELATIVE'S RESPONSIBILITY.]

Subdivision 1. [IN GENERAL.] Subject to the provisions of sections 256B.055, 256B.056, and 256B.06, responsible relative means the spouse of a medical assistance recipient or parent of a minor recipient of medical assistance.

Subd. 2. [ACTIONS TO OBTAIN PAYMENT.] The state agency shall promulgate rules to determine the ability of responsible relatives to contribute partial or complete repayment of medical assistance furnished to recipients for whom they are responsible. No resource contribution is required of a spouse at the time of the first approved medical assistance application. These rules shall not require repayment when payment would cause undue hardship to the responsible relative or that relative's immediate family. These rules shall be consistent with the requirements of section 252.27, subdivision 2, for parents of children whose eligibility for medical assistance was determined without deeming of the parents' resources and income. For parents of children receiving services under a federal medical assistance waiver or under section 134 of the Tax Equity and Fiscal Responsibility Act of 1982, United States Code, title 42, section 1396a(e)(3), while living in their natural home, including in-home family support services, respite care, homemaker services, and minor adaptations to the home, the state agency shall take into account the room, board, and services provided by the parents in determining the parental contribution to the cost of care. The county agency shall give the responsible relative notice of the amount of the repayment. If the state agency or county agency finds that notice of the payment obligation was given to the responsible relative, but that the relative failed or refused to pay, a cause of action exists against the responsible relative for that portion of medical assistance granted after notice was given to the responsible relative, which the relative was determined to be able to pay.

The action may be brought by the state agency or the county

agency in the county where assistance was granted, for the assistance, together with the costs of disbursements incurred due to the action.

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 contributions by a responsible relative found able to repay the county or state agency. The order shall be effective only for the period of time during which the recipient receives medical assistance from the county or state agency.

Sec. 49. Minnesota Statutes 1988, section 256B.69, subdivision 4, is amended to read:

Subd. 4. [LIMITATION OF CHOICE.] The commissioner shall develop criteria to determine when limitation of choice may be implemented in the experimental counties. The criteria shall ensure that all eligible individuals in the county have continuing access to the full range of medical assistance services as specified in subdivision 6. The commissioner shall exempt the following persons from participation in the project, in addition to those who do not meet the criteria for limitation of choice: (1) persons eligible for medical assistance according to section 256B.055, subdivision 1, or who are in foster placement; ~~and~~ (2) persons eligible for medical assistance due to blindness or disability as determined by the social security administration or the state medical review team, unless they are 65 years of age or older; (3) recipients who currently have private coverage through a health maintenance organization; and (4) recipients who are eligible for medical assistance by spending down excess income for medical expenses other than the nursing facility per diem expense. Before limitation of choice is implemented, eligible individuals shall be notified and after notification, shall be allowed to choose only among demonstration providers. After initially choosing a provider, the recipient is allowed to change that choice only at specified times as allowed by the commissioner. If a demonstration provider ends participation in the project for any reason, a recipient enrolled with that provider must select a new provider but may change providers without cause once more within the first 60 days after enrollment with the second provider.

Sec. 50. Minnesota Statutes 1988, section 256B.501, subdivision 3, is amended to read:

Subd. 3. [RATES FOR INTERMEDIATE CARE FACILITIES FOR PERSONS WITH MENTAL RETARDATION OR RELATED CONDITIONS.] The commissioner shall establish, by rule, procedures for determining rates for care of residents of intermediate care facilities for persons with mental retardation or related conditions. The procedures shall be based on methods and standards that the commissioner finds are adequate to provide for the costs that must be incurred for the care of residents in efficiently and economically

operated facilities. In developing the procedures, the commissioner shall include:

(a) cost containment measures that assure efficient and prudent management of capital assets and operating cost increases which do not exceed increases in other sections of the economy;

(b) limits on the amounts of reimbursement for property, general and administration, and new facilities;

(c) requirements to ensure that the accounting practices of the facilities conform to generally accepted accounting principles;

(d) incentives to reward accumulation of equity;

(e) a revaluation on sale between unrelated organizations for a facility that, for at least three years before its use as an intermediate care facility, has been used by the seller as a single family home and been claimed by the seller as a homestead, and was not revalued immediately prior to or upon entering the medical assistance program, provided that the facility revaluation not exceed the amount permitted by the Social Security Act, section 1902(a)(13); and

(f) appeals procedures that satisfy the requirements of section 256B.50 for appeals of decisions arising from the application of standards or methods pursuant to Minnesota Rules, parts 9510.0500 to 9510.0890, 9553.0010 to 9553.0080, and 12 MCAR 2.05301 to 2.05315 (temporary).

In establishing rules and procedures for setting rates for care of residents in intermediate care facilities for persons with mental retardation or related conditions, the commissioner shall consider the recommendations contained in the February 11, 1983, Report of the Legislative Auditor on Community Residential Programs for the Mentally Retarded and the recommendations contained in the 1982 Report of the Department of Public Welfare Rule 52 Task Force. Rates paid to supervised living facilities for rate years beginning during the fiscal biennium ending June 30, 1985, shall not exceed the final rate allowed the facility for the previous rate year by more than five percent.

Sec. 51. Minnesota Statutes 1988, section 256B.501, subdivision 3g, is amended to read:

Subd. 3g. [ASSESSMENT OF RESIDENTS.] For rate years beginning on or after October 1, 1990, the commissioner shall establish program operating cost rates for care of residents in facilities that take into consideration service characteristics of residents in those facilities. To establish the service characteristics of residents,

the quality assurance and review teams in the department of health shall assess all residents annually beginning January 1, 1989, using a uniform assessment instrument developed by the commissioner. This instrument shall include assessment of the client's behavioral needs, integration into the community, ability to perform activities of daily living, medical and therapeutic needs, and other relevant factors determined by the commissioner. The commissioner may establish procedures to adjust the program operating costs of facilities based on a comparison of client services characteristics, resource needs, and costs. adjust the program operating cost rates of facilities based on a comparison of client service characteristics, resource needs, and costs. The commissioner may adjust a facility's payment rate during the rate year when accumulated changes in the facility's average service units exceed the minimums established in the rules required by subdivision 3j.

Sec. 52. Minnesota Statutes 1988, section 256B.69, subdivision 5, is amended to read:

Subd. 5. [PROSPECTIVE PER CAPITA PAYMENT.] The project advisory committees with the commissioner shall establish the method and amount of payments for services. The commissioner shall annually contract with demonstration providers to provide services consistent with these established methods and amounts for payment. Notwithstanding section 62D.02, subdivision 1; payments for services rendered as part of the project may be made to providers that are not licensed health maintenance organizations on a risk-based, prepaid capitation basis.

If allowed by the commissioner, a demonstration provider may contract with an insurer, health care provider, nonprofit health service plan corporation, or the commissioner, to provide insurance or similar protection against the cost of care provided by the demonstration provider or to provide coverage against the risks incurred by demonstration providers under this section. The recipients enrolled with a demonstration provider are a permissible group under group insurance laws and chapter 62C, the Nonprofit Health Service Plan Corporations Act. Under this type of contract, the insurer or corporation may make benefit payments to a demonstration provider for services rendered or to be rendered to a recipient. Any insurer or nonprofit health service plan corporation licensed to do business in this state is authorized to provide this insurance or similar protection.

Payments to providers participating in the project are exempt from the requirements of sections 256.966 and 256B.03, subdivision 2. The commissioner shall complete development of capitation rates for payments before delivery of services under this section is begun. For payments made during calendar year 1990 and later years, the commissioner shall contract with an independent actuary to establish prepayment rates.

Sec. 53. Minnesota Statutes 1988, section 256B.69, subdivision 11, is amended to read:

Subd. 11. [APPEALS.] A recipient may appeal to the commissioner a demonstration provider's delay or refusal to provide services, according to section 256.045. The commissioner shall appoint a panel of health practitioners, including social service practitioners, as necessary to determine the necessity of services provided or refused to a recipient. The deliberations and decisions of the panel replace the administrative review process otherwise available under chapter 256. The panel shall follow the time requirements and other provisions of the Code of Federal Regulations, title 42, sections 431.200 to 431.246. The time requirements shall be expedited based on request by the individual who is appealing for emergency services. If a service is determined to be necessary and is included among the benefits for which a recipient is enrolled, the service must be provided by the demonstration provider as specified in subdivision 5. The panel's decision is a final agency action.

Sec. 54. Minnesota Statutes 1988, section 256B.69, is amended by adding a subdivision to read:

Subd. 17. [CONTINUATION OF PREPAID MEDICAL ASSISTANCE.] The commissioner may continue the provisions of this section after June 30, 1990, in any or all of the participating counties if necessary federal authority is granted. The commissioner may adopt permanent rules to continue prepaid medical assistance in these areas.

Sec. 55. Minnesota Statutes 1988, section 256D.03, subdivision 3, is amended to read:

Subd. 3. [GENERAL ASSISTANCE MEDICAL CARE; ELIGIBILITY.] (a) General assistance medical care may be paid for any person:

(1) who is eligible for assistance under section 256D.05 or 256D.051 and is not eligible for medical assistance under chapter 256B; or

(2) (i) who is a resident of Minnesota; whose income as calculated under chapter 256B is not in excess of the medical assistance standards or whose excess income is spent down pursuant to chapter 256B; and whose equity in resources assets is not in excess of \$1,000 per assistance unit. Exempt real and liquid assets, the reduction of excess assets, and the waiver of excess assets must conform to the medical assistance program in chapter 256B; and

(ii) who has countable income not in excess of the assistance standards established in section 256B.056, subdivision 4, or whose excess income is spent down pursuant to section 256B.056, subdivi-

sion 5. The method for calculating earned income disregards and deductions for a person who resides with a dependent child under age 21 shall be as specified in section 256.74, subdivision 1. The earned income deductions for a person who does not reside with a dependent child under age 21 shall be the same as the method used to determine eligibility for a person under section 256D.06, subdivision 1, except for the disregard of the first \$50 of earned income; or

(3) who is over age 18 and who would be eligible for medical assistance except that the person resides in a facility that is determined by the commissioner or the federal health care financing administration to be an institution for mental diseases.

(b) Eligibility is available for the month of application and for three months prior to application if the person was eligible in those prior months. A redetermination of eligibility must occur every 12 months.

(c) General assistance medical care may be paid for a person, regardless of age, who is detained by law for less than one year in a county correctional or detention facility as a person accused or convicted of a crime, or admitted as an inpatient to a hospital on a criminal hold order, if the person is a recipient of general assistance medical care at the time the person is detained by law or admitted on a criminal hold order and as long as the person continues to meet other eligibility requirements of this subdivision.

(d) General assistance medical care is not available for applicants or recipients who do not cooperate with the local agency to meet the requirements of medical assistance.

(e) In determining the amount of assets of an individual, there shall be included any asset or interest in an asset, including an asset excluded under paragraph (a), that was given away, sold, or disposed of for less than fair market value within the 30 months preceding application for general assistance medical care or during the period of eligibility. Any transfer described in this paragraph shall be presumed to have been for the purpose of establishing eligibility for general assistance medical care, unless the individual furnishes convincing evidence to establish that the transaction was exclusively for another purpose. For purposes of this paragraph, the value of the asset or interest shall be the fair market value at the time it was given away, sold, or disposed of, less the amount of compensation received. For any uncompensated transfer, the number of months of ineligibility shall be calculated by dividing the uncompensated transfer amount by the average monthly per person payment made by the medical assistance program to skilled nursing facilities for the previous calendar year. The individual shall remain ineligible until this fixed period has expired. The period of ineligibility may exceed 30 months, and a reapplication for benefits after

30 months from the date of the transfer shall not result in eligibility unless and until the period of ineligibility has expired.

Sec. 56. Minnesota Statutes 1988, section 256D.03, subdivision 4, is amended to read:

Subd. 4. [GENERAL ASSISTANCE MEDICAL CARE; SERVICES.] (a) Reimbursement under the general assistance medical care program shall be limited to the following categories of service: inpatient hospital care, outpatient hospital care, services provided by Medicare certified rehabilitation agencies, prescription drugs, equipment necessary to administer insulin and diagnostic supplies and equipment for diabetics to monitor blood sugar level, eyeglasses and eye examinations provided by a physician or optometrist, hearing aids, prosthetic devices, laboratory and X-ray services, physician's services, medical transportation, chiropractic services as covered under the medical assistance program, podiatric services, and dental care. In addition, payments of state aid shall be made for:

(1) outpatient services provided by a mental health center or clinic that is under contract with the county board and is certified under Minnesota Rules, parts 9520.0750 9520.0010 to 9520.0870 9520.0230;

(2) day treatment services for mental illness provided under contract with the county board; and

(3) prescribed medications for persons who have been diagnosed as mentally ill as necessary to prevent more restrictive institutionalization;

(4) case management services for a person with serious and persistent mental illness who would be eligible for medical assistance except that the person resides in an institution for mental diseases; and

(5) psychological services, medical supplies and equipment, and Medicare coinsurance and deductible payments for a person who would be eligible for medical assistance except that the person resides in an institution for mental diseases.

(b) In order to contain costs, the commissioner of human services shall select vendors of medical care who can provide the most economical care consistent with high medical standards and shall where possible contract with organizations on a prepaid capitation basis to provide these services. The commissioner shall consider proposals by counties and vendors for prepaid health plans, competitive bidding programs, block grants, or other vendor payment mechanisms designed to provide services in an economical manner or to control utilization, with safeguards to ensure that necessary

services are provided. Before implementing prepaid programs in counties with a county operated or affiliated public teaching hospital or a hospital or clinic operated by the University of Minnesota, the commissioner shall consider the risks the prepaid program creates for the hospital and allow the county or hospital the opportunity to participate in the program in a manner that reflects the risk of adverse selection and the nature of the patients served by the hospital, provided the terms of participation in the program are competitive with the terms of other participants considering the nature of the population served. Payment for services provided pursuant to this subdivision shall be as provided to medical assistance vendors of these services under sections 256B.02, subdivision 8, and 256B.0625. The rates payable under this section must be calculated according to section 256B.031, subdivision 4. For payments made during fiscal year 1990 and later years, the commissioner shall contract with an independent actuary to establish prepayment rates.

(c) The commissioner of human services may reduce payments provided under sections 256D.01 to 256D.21 and 261.23 in order to remain within the amount appropriated for general assistance medical care, within the following restrictions.

For the period July 1, 1985, to December 31, 1985, reductions below the cost per service unit allowable under section 256.966, are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 30 percent; payments for all other inpatient hospital care may be reduced no more than 20 percent. Reductions below the payments allowable under general assistance medical care for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than ten percent.

For the period January 1, 1986 to December 31, 1986, reductions below the cost per service unit allowable under section 256.966 are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 20 percent; payments for all other inpatient hospital care may be reduced no more than 15 percent. Reductions below the payments allowable under general assistance medical care for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than five percent.

For the period January 1, 1987 to June 30, 1987, reductions below the cost per service unit allowable under section 256.966 are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 15 percent; payments for all other inpatient hospital care may be

reduced no more than ten percent. Reductions below the payments allowable under medical assistance for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than five percent.

For the period July 1, 1987, to June 30, 1988, reductions below the cost per service unit allowable under section 256.966 are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 15 percent; payments for all other inpatient hospital care may be reduced no more than five percent. Reductions below the payments allowable under medical assistance for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than five percent.

For the period July 1, 1988, to June 30, 1989, reductions below the cost per service unit allowable under section 256.966 are permitted only as follows: payments for inpatient and outpatient hospital care provided in response to a primary diagnosis of chemical dependency or mental illness may be reduced no more than 15 percent; payments for all other inpatient hospital care may not be reduced. Reductions below the payments allowable under medical assistance for the remaining general assistance medical care services allowable under this subdivision may be reduced no more than five percent.

There shall be no copayment required of any recipient of benefits for any services provided under this subdivision. A hospital receiving a reduced payment as a result of this section may apply the unpaid balance toward satisfaction of the hospital's bad debts.

(d) Any county may, from its own resources, provide medical payments for which state payments are not made.

(e) Chemical dependency services that are reimbursed under Laws 1986, chapter 394, sections 8 to 20, must not be reimbursed under general assistance medical care.

(f) The maximum payment for new vendors enrolled in the general assistance medical care program after the base year shall be determined from the average usual and customary charge of the same vendor type enrolled in the base year.

(g) The conditions of payment for services under this subdivision are the same as the conditions specified in rules adopted under chapter 256B governing the medical assistance program, unless otherwise provided by statute or rule.

Sec. 57. Minnesota Statutes 1988, section 256E.03, subdivision 2, is amended to read:

Subd. 2. (a) "Community social services" means services provided or arranged for by county boards to fulfill the responsibilities prescribed in section 256E.08, subdivision 1 to the following groups of persons:

(a) (1) families with children under age 18, who are experiencing child dependency, neglect or abuse, and also pregnant adolescents, adolescent parents under the age of 18, and their children;

(b) (2) persons who are under the guardianship of the commissioner of human services as dependent and neglected wards;

(c) (3) adults who are in need of protection and vulnerable as defined in section 626.557;

(d) (4) persons age 60 and over who are experiencing difficulty living independently and are unable to provide for their own needs;

(e) (5) emotionally disturbed children and adolescents, chronically and acutely mentally ill persons who are unable to provide for their own needs or to independently engage in ordinary community activities;

(f) (6) persons with mental retardation as defined in section 252A.02, subdivision 2, or with related conditions as defined in section 252.27, subdivision 1, who are unable to provide for their own needs or to independently engage in ordinary community activities;

(g) (7) drug dependent and intoxicated persons as defined in section 254A.02, subdivisions 5 and 7, and persons at risk of harm to self or others due to the ingestion of alcohol or other drugs;

(h) (8) parents whose income is at or below 70 percent of the state median income and who are in need of child care services in order to secure or retain employment or to obtain the training or education necessary to secure employment; and

(i) (9) other groups of persons who, in the judgment of the county board, are in need of social services.

(b) Except as provided in section 256E.08, subdivision 5, community social services do not include public assistance programs known as aid to families with dependent children, Minnesota supplemental aid, medical assistance, general assistance, general assistance medical care, or community health services authorized by sections 145A.09 to 145A.13.

Sec. 58. Minnesota Statutes 1988, section 256E.05, subdivision 3, is amended to read:

Subd. 3. [ADDITIONAL DUTIES.] The commissioner shall also:

(a) Provide necessary forms and instructions to the counties for plan format and information;

(b) Identify and then amend or repeal the portions of all applicable department rules which mandate counties to provide specific community social services or programs, unless state or federal law requires the commissioner to mandate a service or program. The commissioner shall be exempt from the rulemaking provisions of chapter 14 in amending or repealing rules pursuant to this clause. However, when the commissioner proposes to amend or repeal any rule under the authority granted by this clause, notice shall be provided by publication in the State Register. When the commissioner proposes to amend a rule, the notice shall include that portion of the existing rule necessary to provide adequate notice of the nature of the proposed change. On proposing to repeal an entire rule, the commissioner need only publish that fact, giving the exact citation to the rule to be repealed. In all cases, the notice shall contain a statement indicating that interested persons may submit comment on the proposed repeal or amendment for a period of 30 days after publication of the notice. The commissioner shall take no final action until after the close of the comment period. The commissioner's actions shall not be effective until five days after the commissioner publishes notice of adoption in the State Register. If the final action is the same as the action originally proposed, publication may be made by notice in the State Register that the amendment and repeals have been adopted as proposed, and by citing the prior publication. If the final action differs from the action as previously proposed in the State Register, the text which differs from the original proposal shall be included in the notice of adoption together with a citation to the prior State Register publication. The commissioner shall provide to all county boards separate notice of all final actions which become effective under this clause, advising the boards with respect to services or programs which have now become optional, to be provided at county discretion; To the extent possible, coordinate other categorical social service grant applications and plans required of counties so that the applications and plans are included in and are consistent with the timetable and other requirements for the community social services plan in subdivision 2 and section 256E.09;

(c) Provide to the chair of each county board, in addition to notice required pursuant to sections 14.05 to 14.36, timely advance notice and a written summary of the fiscal impact of any proposed new rule or changes in existing rule which will have the effect of increasing county costs for community social services;

(d) Provide training, technical assistance, and other support services to county boards to assist in needs assessment, planning,

implementing, and monitoring social services programs in the counties;

(e) Design and implement a method of monitoring and evaluating social services, including site visits that utilize quality control audits to assure county compliance with applicable standards, guidelines, and the county and state social services plans; and

(f) Annually publish a report on community social services which shall reflect the contents of the individual county reports. The report shall be submitted to the governor and the legislature with an evaluation of community social services and recommendations for changes needed to fully implement state social service policies; and

(g) Request waivers from federal programs as necessary to implement sections 256E.01 to 256E.12.

Sec. 59. Minnesota Statutes 1988, section 256E.08, subdivision 5, is amended to read:

Subd. 5. [COMMUNITY SOCIAL SERVICES FUND.] In the accounts and records of each county there shall be created a community social services fund. All moneys provided for community social services programs under sections 256E.06 and 256E.07 and all other revenues; fees; grants-in-aid, including those from public assistance programs identified in section 256E.03, subdivision 2, paragraph (b), that pay for services such as child care, waived services under the medical assistance programs, alternative care grants, and other services funded by these programs through federal or state waivers; gifts; or bequests designated for community social services purposes shall be identified in the record of the fund and in the report required in subdivision 8. This fund shall be used exclusively for planning and delivery of community social services as defined in section 256E.03, subdivision 2. If county boards have joined for purposes of administering community social services, the county boards may create a joint community social services fund. If a human service board has been established, the human service board shall account for community social services money as required in chapter 402.

Sec. 60. Minnesota Statutes 1988, section 256E.09, subdivision 1, is amended to read:

Subdivision 1. [PLAN PROPOSAL.] In 1988, the county board shall publish a one-year update to its 1987-1988 biennial plan for calendar year 1989, and make it available upon request to all residents of the county. Beginning in 1989, and every two years after that, the county board shall publish and make available upon request to all county residents a proposed biennial community social services plan for the next two calendar years.

Sec. 61. Minnesota Statutes 1988, section 256E.09, subdivision 3, is amended to read:

Subd. 3. [PLAN CONTENT.] The biennial community social services plan published by the county shall include:

(a) A statement of the goals of community social service programs in the county;

(b) Methods used pursuant to subdivision 2 to encourage participation of citizens and providers in the development of the plan and the allocation of money;

(c) Methods used to identify persons in need of service and the social problems to be addressed by the community social service programs, including efforts the county proposes to make in providing for early intervention, prevention and education aimed at minimizing or eliminating the need for services for groups of persons identified in section 256E.03, subdivision 2;

(d) A statement describing how the county will fulfill its responsibilities identified in section 256E.08, subdivision 1, to the groups of persons described in section 256E.03, subdivision 2, and a description of each community social service proposed and identification of the agency or person proposed to provide the service;

(e) A statement describing how the county proposes to make the following services available for persons identified by the county as in need of services: daytime developmental achievement services for children; day training and habilitation services for adults; extended employment program services for persons with disabilities; supported employment services as defined in section 252.41, subdivision 8; community-based employment programs as defined in section 129A.01, subdivision 12; subacute detoxification services; and residential services and nonresidential social support services as appropriate for the groups identified in section 256E.03, subdivision 2;

(f) A statement specifying how the county will collaboratively plan the development of supported employment services and community-based employment services with local representatives of public rehabilitation agencies and local education agencies, including, if necessary, how existing day or employment services could be modified to provide supported employment services and community-based employment services;

(g) A statement describing how the county is fulfilling its responsibility to establish a comprehensive and coordinated system of early intervention services as required under section 120.17, subdivisions 11a, 12, and 14;

(g) (h) The amount of money proposed to be allocated to each service;

(h) (i) An inventory of public and private resources including associations of volunteers which are available to the county for social services;

(i) (j) Evidence that serious consideration was given to the purchase of services from private and public agencies; and

(j) (k) Methods whereby community social service programs will be monitored and evaluated by the county.

Sec. 62. [268.912] [HEAD START PROGRAM.]

The department of jobs and training is the state agency responsible for administering the head start program. The commissioner of jobs and training may make grants to public or private nonprofit agencies for the purpose of providing supplemental funds for the federal head start program.

Sec. 63. [268.913] [DEFINITIONS.]

Subdivision 1. [SCOPE.] As used in sections 268.914 to 268.916, the terms defined in this section have the meanings given them.

Subd. 2. [PROGRAM ACCOUNT 20.] "Program account 20" means the federally designated and funded account limited to training activities.

Subd. 3. [PROGRAM ACCOUNT 22.] "Program account 22" means the federally designated and funded account for basic services.

Subd. 4. [PROGRAM ACCOUNT 26.] "Program account 26" means the federally designated and funded account that can only be used to provide special services to handicapped diagnosed children.

Subd. 5. [START-UP COSTS.] "Start-up costs" means one-time costs incurred in expanding services to additional children.

Sec. 64. [268.914] [DISTRIBUTION OF APPROPRIATION.]

(a) The commissioner of jobs and training shall distribute money appropriated for that purpose to head start program grantees to expand services to low-income children. Money must be allocated to each project head start grantee in existence on the effective date of this act. The money must be initially allocated to local agencies based on the agencies' share of the statewide total number of low-income children three to five years old. A head start grantee

shall be funded at a per child rate equal to its contracted federally funded level for program account 22, program account 26, and the base amount of program account 20, at the start of the state fiscal year. The commissioner may provide additional funding to grantees for start-up costs incurred by grantees due to the increased number of children to be served. Before paying money to the grantees, the commissioner shall notify each grantee of its initial allocation, how the money must be used, and the number of low-income children that must be served with the allocation. Each grantee must notify the commissioner of the number of additional low-income children it will be able to serve. For any grantee that cannot serve additional children to its full allocation, the commissioner shall reduce the allocation proportionately. Money available after the initial allocations are reduced must be redistributed to eligible grantees.

(b) Up to 11 percent of the funds appropriated annually may be used to provide grants to local head start agencies to provide funds for innovative programs designed either to target head start resources to particular at-risk groups of children or to provide services in addition to those currently allowable under federal head start regulations. The commissioner shall award funds for innovative programs under this paragraph on a competitive basis.

Sec. 65. [268.915] [FEDERAL REQUIREMENTS.]

Grantees and the commissioner shall comply with federal regulations governing the federal head start program, except for innovative programs funded under section 268.914, paragraph (b), which may operate differently than federal head start regulations.

Sec. 66. [268.916] [REPORTS.]

Each grantee shall submit an annual report to the commissioner on the format designated by the commissioner, including program information report data. By January 1 of each year, the commissioner shall prepare an annual report to the health and human services committees of the legislature concerning the uses and impact of head start supplemental funding, or summary of innovative programs, and the results of innovative programs.

Sec. 67. Minnesota Statutes 1988, section 297.13, subdivision 1, is amended to read:

Subdivision 1. [CIGARETTE TAX APPORTIONMENT.] Revenues received from taxes, penalties, and interest under sections 297.01 to 297.13 and from license fees and miscellaneous sources of revenue shall be deposited by the commissioner of revenue in a separate and special fund, designated as the tobacco tax revenue fund, in the state treasury and credited as follows:

(a) first to the general obligation special tax bond debt service account in each fiscal year the amount required to increase the balance on hand in the account on each December 1 to an amount equal to the full amount of principal and interest to come due on all outstanding bonds whose debt service is payable primarily from the proceeds of the tax to and including the second following July 1; and

(b) after the requirements of paragraph (a) have been met:

(1) the revenue produced by one mill of the tax on cigarettes weighing not more than three pounds a thousand and two mills of the tax on cigarettes weighing more than three pounds a thousand must be credited to the Minnesota future resources account;

(2) the revenue produced by two mills of the tax on cigarettes weighing not more than three pounds a thousand and four mills of the tax on cigarettes weighing more than three pounds a thousand must be credited to the Minnesota state water pollution control fund created in section 116.16, provided that, if the tax on cigarettes imposed by United States Code, title 26, section 5701, as amended, is reduced after June 1, 1985, an additional one mill of the tax on cigarettes weighing not more than three pounds a thousand and two mills of the tax on cigarettes weighing more than three pounds a thousand must be credited to the Minnesota state water pollution control fund created in section 116.16 less any amount credited to the general obligation special tax debt service account under paragraph (a), with respect to bonds issued for the prevention, control, and abatement of water pollution;

(3) the revenue produced by one mill of the tax on cigarettes weighing not more than three pounds a thousand and two mills of the tax on cigarettes weighing more than three pounds a thousand must be credited to a public health fund, provided that if the tax on cigarettes imposed by United States Code, title 26, section 5701, as amended, is reduced after June 1, 1985, an additional two-tenths of one mill of the tax on cigarettes weighing not more than three pounds a thousand and an additional four-tenths of one mill of the tax on cigarettes weighing more than three pounds a thousand must be credited to the public health fund;

(4) the balance of the revenues derived from taxes, penalties, and interest under sections 297.01 to 297.13 and from license fees and miscellaneous sources of revenue shall be credited to the general fund.

Sec. 68. [COMMUNITY ACTION PROGRAM LEGISLATIVE TASK FORCE.]

Subdivision 1. [PURPOSE.] On this 25th anniversary of the Economic Opportunity Act of 1964, the legislature recognizes the need to evaluate how Minnesota can, through community action

programs, meet the needs of its low-income residents and provide them with opportunities to escape poverty. With the population of low-income residents increasing, and federal financial support for community action programs decreasing, the legislature must evaluate the ability of community action programs to serve low-income residents. The purpose of the task force is to chart a course for community action programs to ensure that the needs of low-income residents are met.

Subd. 2. [MEMBERSHIP.] There is established a legislative task force consisting of five members of the house of representatives appointed by the speaker of the house and five members of the senate appointed by the senate majority leader. At least two members should be of the minority caucus.

Subd. 3. [CHAIR.] The members of the task force shall elect one member to serve as chair of the task force.

Subd. 4. [STAFF.] The task force shall use legislative staff to carry out its duties.

Subd. 5. [DUTIES.] The task force shall examine the role and future of community action programs in Minnesota. The task force shall examine and make recommendations on how community action programs can better address the needs of Minnesota's low-income residents. The task force shall also examine programs, advocacy efforts, funding trends, and local initiatives to reduce poverty, as well as the state's role in supporting community action programs in Minnesota. The task force shall submit a report on its findings and recommendations to the legislature by January 15, 1990.

#### Sec. 69. [REPEALER.]

Subdivision 1. Minnesota Statutes 1988, sections 246.50, subdivisions 3a, 4a, and 9; 256.969, subdivisions 2a, 3, 4, 5, and 6; 256B.69, subdivisions 12, 13, 14, and 15; and 256E.08, subdivision 9, are repealed.

Subd. 2. Minnesota Statutes 1988, section 256B.17, subdivisions 1, 2, 3, 4, 5, 6, and 8, are repealed.

Subd. 3. Minnesota Statutes 1988, section 256B.17, subdivision 7, is repealed, effective October 1, 1989.

#### Sec. 70. [EFFECTIVE DATE.]

Section 1 is effective for claims filed with the insurer after June 30, 1989.

Section 5 is effective retroactive to December 28, 1988.

Section 43 is effective July 1, 1988, for all assets transferred on or after that date except for interspousal transfers under section 256B.17, subdivision 7.

Section 46 is effective September 1, 1989.

Section 53 is effective for all appeals that are filed after June 30, 1989.

Sections 62 to 66 are effective the day following final enactment.

Sec. 71. [INSTRUCTION TO REVISOR.]

In Minnesota Statutes 1989 Supplement and subsequent editions of the statutes, the revisor of statutes shall change the words "resident" and "patient," wherever they appear in Minnesota Statutes, sections 246.50 to 246.55, to "client."

Delete the title and insert:

"A bill for an act relating to human services; providing for eligibility changes in the medical assistance, general assistance medical care, and children's health plan programs; clarifying existing eligibility requirements; providing for coordination of benefits with the children's health plan; establishing a legislative task force to study community action programs; clarifying and adjusting administrative and judicial review procedures; providing for certain changes in the administration of the medical assistance demonstration project; clarifying methods for determining cost of care in state hospitals; providing for distribution of money to head start programs; making changes in the community social services act; amending Minnesota Statutes 1988, sections 62A.045; 62A.046; 145.61, subdivision 5; 145.63; 148B.32, subdivision 2; 214.06, subdivision 1; 246.50, subdivisions 3, 4, and 5; 246.54; 252.291, subdivision 2; 252.46, subdivisions 1, 2, 3, 4, 6, and 12; 252.47; 256.045, subdivisions 1, 3, 4, 4a, 5, 6, 7, 10, and by adding a subdivision; 256.969; 256B.031, subdivision 5; 256B.04, subdivision 14; 256B.055, subdivisions 7 and 8; 256B.056, subdivisions 3, 4, and 5; 256B.062; 256B.0625, subdivision 13, and by adding a subdivision; 256B.092, subdivision 7; 256B.14; 256B.69, subdivision 4; 256B.501, subdivisions 3 and 3g; 256B.69, subdivisions 5, 11, and by adding a subdivision; 256D.03, subdivisions 3 and 4; 256E.03, subdivision 2; 256E.05, subdivision 3; 256E.08, subdivision 5; 256E.09, subdivisions 1 and 3; and 297.13, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 246; 256; 256B; and 268; repealing Minnesota Statutes 1988, sections 246.50, subdivisions 3a, 4a, and 9; 256.969, subdivisions 2a, 3, 4, 5, and 6; 256B.69;

subdivisions 12, 13, 14, and 15; 256E.08, subdivision 9; 256B.17, subdivisions 1, 2, 3, 4, 5, 6, 7, and 8.”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

H. F. No. 1197, A bill for an act relating to Minnesota Statutes; correcting erroneous, ambiguous, and omitted text and obsolete references; eliminating certain redundant, conflicting, and superfluous provisions; making miscellaneous technical corrections to statutes and other laws; amending Minnesota Statutes 1988, sections 10A.01, subdivisions 5 and 18; 10A.32, subdivision 3a; 13.46, subdivision 2; 13.75, subdivision 2; 16A.26; 16B.28, subdivision 3; 18B.25, subdivision 4; 45.028, subdivision 1; 69.32; 105.81; 115A.195; 115C.08, subdivision 3; 116.44, subdivision 1; 122.23, subdivision 18; 122.96, subdivision 3; 124.646, subdivision 1; 124A.24; 124A.27, subdivision 1; 127.35; 136C.61, subdivision 1; 136D.27, subdivision 3; 136D.71; 136D.74, subdivision 2b; 136D.741, subdivision 4; 136D.87, subdivision 3; 141.35; 144.122; 144.335, subdivision 2; 145A.07, subdivision 1; 145A.13; 157.03; 168.33, subdivision 2; 168A.24, subdivision 2; 168A.29, subdivision 3; 169.345, subdivision 2; 176.081, subdivision 1; 176.101, subdivision 3e; 176.131, subdivision 1; 176.421, subdivision 7; 205.065, subdivision 1; 205.18, subdivision 2; 211B.15, subdivision 4; 214.01, subdivision 2; 245.77; 256.01, subdivision 2; 256.991; 256B.69, subdivision 16; 256D.03, subdivision 4; 256G.02, subdivision 4; 256G.06; 257.354, subdivision 4; 268.04, subdivision 32; 268.10, subdivision 1; 272.02, subdivision 1; 273.124, subdivision 6; 290.05, subdivision 3; 290.92, subdivision 23; 297.07, subdivision 3; 297.35, subdivision 3; 298.2211, subdivision 1; 308.11; 340A.414, subdivision 6; 349.213, subdivision 2; 352.01, subdivision 2b; 353.01, subdivision 2a; 363.06, subdivision 4; 383B.229; 383B.77; 383C.331; 383C.334; 469.0721; 469.121, subdivision 1; 469.129, subdivision 1; 471.562, subdivision 4; 471.563; 473.605, subdivision 2; 473.845, subdivision 1; 474A.02, subdivision 18; 480A.02, subdivision 7; 485.018, subdivision 2; 515A.3-115; 525.94, subdivision 3; 548.09, subdivision 2; 604.02, subdivision 1; 609.506, subdivision 1; and 611A.53, subdivision 1; reenacting Minnesota Statutes 1988, section 80A.14, subdivision 18; repealing Minnesota Statutes 1988, sections 260.125, subdivision 6; 326.01, subdivision 21; and 362A.08; amending Laws 1976, chapter 134, section 79; Laws 1988, chapter 640, section 5; and chapter 719, article 12, section 29; repealing Laws 1965, chapter 267, section 1; Laws 1971, chapter 830, section 7; Laws 1976, chapter 2, section 62; chapter 134, section 2; chapter 163, section 10; and chapter 173, section 53; Laws 1977, chapter 35, section 8; Laws 1978, chapter 496, section 1; and chapter 706, section

31; Laws 1979, chapter 48, section 2; and chapter 184, section 3; Laws 1981, chapter 271, section 1; Laws 1982, chapter 514, section 15; Laws 1983, chapter 242, section 1; chapter 247, section 38; chapter 289, section 4; chapter 290, sections 2 and 3; chapter 299, section 26; and chapter 303, sections 21 and 22; Laws 1984, chapter 654, article 2, section 117; Laws 1986, chapter 312, section 1; chapter 400, section 43; and chapter 452, section 17; Laws 1986, First Special Session chapter 3, article 1, sections 74 and 79; and Laws 1987, chapter 268, article 5, section 5; chapter 384, article 2, section 25; chapter 385, section 7; chapter 403, article 5, section 1; and chapter 404, section 138.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Otis from the Committee on Economic Development to which was referred:

H. F. No. 1220, A bill for an act relating to economic development; providing for funding to the Minnesota marketplace program; appropriating money.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Otis from the Committee on Economic Development to which was referred:

H. F. No. 1240, A bill for an act relating to economic development; providing for funding of a grant to a nonprofit technology transfer, applied research, and economic development organization; appropriating money.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 1241, A bill for an act relating to public health; changing the structure and authorities of the Minnesota Institute for Addiction and Stress Research; amending Minnesota Statutes 1988,

sections 152A.01, subdivisions 1, 2, 3, 6, and by adding subdivisions; 152A.02; 152A.03; and 152A.04; repealing Laws 1988, chapter 689, article 2, section 269, subdivision 5.

Reported the same back with the following amendments:

Page 2, line 3, after "appointment" insert "by the governor who shall consider the recommendations"

Page 2, line 16, after the period insert "The board must also include at least one lay person."

Page 3, delete lines 7 to 21, and insert:

"Subd. 8. [DATA PRACTICES.] Institute data is governed by the Minnesota government data practices act under the provisions of chapter 13."

Page 3, line 33, after "Employees" insert "in state bargaining units 2, 3, 4, 6, and 7 as defined in section 179A.10, subdivision 2, are in the classified service and subject to chapters 43A and 179A. All other employees"

Page 6, delete lines 5 to 11

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 1246, A bill for an act relating to children; creating a statewide grant program to provide neighborhood-based support to enhance the health, development, and school readiness of preschool children; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 145.

Reported the same back with the following amendments:

Page 2, line 15, delete "and"

Page 2, line 16, after "collaboration" insert ", and the training of community residents"

Page 3, line 21, delete "six" and insert "three"

Page 5, after line 5, insert:

“Subd. 5. [NEIGHBORHOOD INVOLVEMENT.] Priority in hiring shall be given to residents of the neighborhood or community to be served for any professional or nonprofessional positions funded with these grants.”

Page 5, line 6, delete “5” and insert “6”

Page 5, line 20, delete “6” and insert “7”

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Battaglia from the Committee on Local Government and Metropolitan Affairs to which was referred:

H. F. No. 1336, A bill for an act relating to metropolitan airport planning; requiring various actions, plans, and reports by the metropolitan council and the metropolitan airports commission; expanding the membership of the commission; establishing a state advisory council on metropolitan airport planning; amending Minnesota Statutes 1988, sections 473.604, subdivision 1; and 473.621, subdivision 1a; proposing coding for new law in Minnesota Statutes, chapter 473.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

“Section 1. [473.155] [AVIATION PLANNING.]

Subdivision 1. [AVIATION PLANNING ASSESSMENT.] By February 15 of each year, the council shall prepare a long-range assessment of air transportation trends and factors that may affect major airport development in the metropolitan area for a prospective 30-year period. The council shall involve the airports commission in preparing the assessment and shall take into consideration the airport development and operations plans and activities of the commission.

Subd. 2. [AVIATION PLAN.] By February 1, 1990, the council shall amend the aviation chapter of the metropolitan development guide to incorporate policies and strategies that will ensure a comprehensive, coordinated, continuing, thorough, and timely investigation and evaluation of alternatives for major airport development in the metropolitan area for a prospective 30-year period. The alternatives to be examined must include both the airport improvements and enhancements of capacity that may be necessary

at the existing airport and the location and development of a new airport.

Subd. 3. [SEARCH AREA.] By January 1, 1992, the council, in consultation with the airports commission, shall designate an area within the metropolitan area as a search area for a major new airport.

Subd. 4. [LEGISLATIVE REPORTS.] (a) Until the activities required by section 3, subdivision 3, and section 4 are completed, the council shall report to the legislature by February 15 of each year on the results of the aviation planning activities of the council under this section. The report must include a summary of expenditures and sources of funding for the activities.

(b) By February 1, 1990, the council shall report to the legislature recommending methods and legislative actions that would be necessary to protect a new airport search area from conflicting development, to protect and control development on land at and around a site for a major new airport, and to inhibit land speculation and reduce incentives for land speculation in the airport area.

(c) By February 1, 1991, the council shall report to the legislature on the general availability of suitable land in the metropolitan area for a new airport. If the council finds that sufficient land may not be available in the area, the council shall describe the legal and institutional changes that would be required to extend the search for a suitable site beyond the boundaries of the metropolitan area.

(d) By March 1, 1990, after consulting with the airports commission, the federal aviation administration, industry representatives, and other persons, the council shall report to the legislature on assumptions and methods that will be used by the council to forecast demand for air travel and capacity needs at major airport facilities in the metropolitan area for a prospective 30-year period. The council shall involve the airports commission in preparing the report and shall take into consideration the assumptions and methods used by the commission in preparing forecasts for airport development and operations purposes.

(e) By March 1, 1990, the council shall report to the legislature analyzing and making recommendations on long-range aviation goals for the major airport facility in the metropolitan area for a prospective 30-year period. The report must address goals for safety, environmental impact, and service, including ground access and the airport capacity required to maintain and enhance service levels to other states and countries and to nonmetropolitan areas of the state.

(f) By January 1, 1993, the council shall report to the legislature on policies for the reuse of the existing major airport site should a new major airport be developed.

(g) At least 60 days before submitting a report to the legislature, the council shall submit a draft of the report to the state advisory council created by section 7, for review and comment. This requirement does not apply to the report under paragraph (a).

Sec. 2. Minnesota Statutes 1988, section 473.604, subdivision 1, is amended to read:

Subdivision 1. The commission consists of:

(1) the mayor of each of the cities, or a qualified voter appointed by the mayor, for the term of office as mayor;

(2) a number of members appointed from precincts equal or nearest to but not exceeding half the number of districts which are provided by law for the selection of members of the metropolitan council in section 473.123. Each member shall be a resident of the precinct represented. The members shall be appointed by the governor as follows: a number as near as possible to one-fourth, for a term of one year; a similar number for a term of two years; a similar number for a term of three years; and a similar number for a term of four years, all of which terms shall commence on July 1, 1981. The successors of each member shall be appointed for four-year terms commencing in July of each fourth year after the expiration of the original term. Before making an appointment, the governor shall consult with each member of the legislature from the precinct for which the member is to be appointed, to solicit the legislator's recommendation on the appointment; and

(3) four members appointed from outside of the metropolitan area to reflect fairly the various regions and interests throughout the state that are affected by the operation of the commission's major airport and airport system. Two of these members must be residents of statutory or home rule charter cities, towns, or counties containing an airport designated by the commissioner of transportation as a key airport. The other two must be residents of statutory or home rule charter cities, towns, or counties containing an airport designated by the commissioner of transportation as an intermediate airport. The members must be appointed by the governor as follows: one for a term of one year, one for a term of two years, one for a term of three years, and one for a term of four years. All of the terms start on July 1, 1989. The successors of each member must be appointed to four-year terms commencing on July 1 of each fourth year after the expiration of the original term. Before making an appointment, the governor shall consult each member of the legislature representing the municipality or county from which the member is to be appointed, to solicit the legislator's recommendation on the appointment; and

(4) a chair appointed by the governor for a term of four years. The chair may be removed at the pleasure of the governor.

## Sec. 3. [473.616] [COMPREHENSIVE AIRPORT PLANNING.]

Subdivision 1. [WOLD-CHAMBERLAIN PLAN.] (a) By January 1, 1991, the commission shall adopt a long-term comprehensive plan for the international airport at its existing location. The plan must describe:

- (1) aviation demand;
- (2) airport capacity limits and potential;
- (3) facilities requirements;
- (4) a plan for physical development, including financial estimates and a tentative development schedule;
- (5) airport operational characteristics;
- (6) compatibility with metropolitan and local physical facility systems;
- (7) environmental effects;
- (8) safety; and
- (9) the effect on the neighboring communities.

The plan must satisfy air transportation needs for a prospective 20-year period. At the same time, the commission shall adopt a concept plan for the airport, including an estimate of facilities requirements, to satisfy air transportation needs for an additional ten-year period. The air transportation needs identified in the plans must be consistent with the long-term air transportation needs projected by the council. The plans must be updated at least every five years. The plans must be amended as necessary to reflect changes in trends and conditions, facilities requirements, and development plans and schedules. The plans are subject to sections 473.165 and 473.611.

(b) Until January 1, 1996, or until the commission has completed the activities required by subdivision 3 and section 4, whichever occurs first, the commission may construct a new runway or a new, expanded, or relocated terminal facility if the commission determines that construction of the runway or facility is: (1) necessary and prudent, considering the current and projected demand for service and related capacity requirements, and (2) consistent with a potential legislative decision, made promptly after the legislature receives the reports required under subdivision 3 and section 4, that the commission should proceed as expeditiously as is practicable to acquire and construct a new airport. The commission shall make its

determination by resolution, containing findings of fact and conclusions. Before making its determination, the commission shall hold a public hearing on the question. The hearing may be held separately or in conjunction with any other hearing required on the project, as the commission deems appropriate. The commission shall contract with the state office of administrative hearings for the services of an administrative law judge to conduct and report on the hearing. The report of the administrative law judge to the commission must contain findings of fact and conclusions. The report must be completed within 90 days of the day that the commission enters the contract for services with the state office of administrative hearings.

Subd. 2. [NEW AIRPORT; CONCEPTUAL DESIGN STUDY AND PLAN.] By March 1, 1990, the commission, in consultation with the council, shall complete a study of facilities requirements, airport functioning, and conceptual design for a major new airport. By January 1, 1991, the commission shall complete a conceptual design plan for a major new airport. The conceptual design study and plan must satisfy air transportation needs for a prospective 30-year period, consistent with the long-term air transportation needs projected by the council. The conceptual design plan must include an analysis of estimated costs, potential financing methods and sources of public and private funding, and cost allocation issues and options. The council shall use the design study and plan in evaluating areas for locating a new airport under section 1, subdivision 3.

Subd. 3. [NEW AIRPORT; SITE SELECTION; COMPREHENSIVE PLAN.] Within four years following the council's designation of a search area under section 1, the commission shall: (1) select a site for a major new airport in the search area designated by the council; (2) prepare a comprehensive plan and schedule, including financial plans, for the development of a major airport at that site for a prospective 20-year period following a decision to develop a new airport; (3) prepare an estimate of facilities requirements and a concept plan for development of the airport for an additional ten years; and (4) prepare and submit for administrative review the environmental documents that are required for site acquisition.

Subd. 4. [LEGISLATIVE REPORTS.] (a) Until the activities required by subdivision 3 and section 4 are completed, the commission shall report to the legislature by February 15 of each year on the results of the airport planning activities of the commission under this section. The report must include a summary of expenditures and sources of funding for the activities.

(b) By March 1, 1990, the commission shall report to the legislature on the conceptual design study for a major new airport, prepared under subdivision 2. By January 1, 1991, the commission shall report to the legislature on the conceptual design plan prepared under subdivision 2.

(c) At least 60 days before submitting a report to the legislature, the commission shall submit a draft of the report to the advisory council created by section 7, for review and comment. This requirement does not apply to the report under paragraph (a).

**Sec. 4. [473.618] [AIRPORT PLANNING AND DEVELOPMENT REPORT.]**

Within 180 days after the completion of the actions required by section 3, subdivision 3, the metropolitan council and the airports commission shall report to the legislature on the long-range planning and development of major airport facilities in the metropolitan area. The report must include the recommendations of the agencies on major airport development in the metropolitan area for a prospective 30-year period and on acquiring a site for a major new airport. The report must include an analysis of the effect of a new airport on present and proposed facilities at the existing airport and on the local, regional, and state economies. The report must contain the recommendations of the agencies on financial planning and financing for a major new airport, including: cost; cost allocation; amortization of major improvements at the existing airport before a transfer of operations; financing methods and sources of public and private funds; lease agreements and user charges at a new airport; and a method of capturing for public uses a portion of the revenue from development around a new airport. At least 60 days before submitting the report to the legislature, the agencies shall submit the report to the advisory council created by section 7, for review and comment.

**Sec. 5. [473.619] [PLANNING ADMINISTRATION.]**

Subdivision 1. [INTERAGENCY AGREEMENT.] The metropolitan council and the airports commission shall enter into an inter-governmental agreement by July 1, 1989. The agreement must establish a process and agency responsibilities for comprehensive and coordinated planning for major airport development, consistent with the requirements of this section and sections 1 to 4. The agreement must establish a joint committee composed of board members of the two agencies to oversee implementation of the agreement.

Subd. 2. [SCOPE OF WORK REPORT.] The metropolitan council and the airports commission shall prepare a scope of work report that describes the general scope and schedule of work and the topics to be addressed in the planning and study tasks required of the agencies under sections 1 to 4. By September 1, 1989, the report must be submitted to the advisory council created by section 7, for review and comment. The advisory council has 90 days to complete its review.

Subd. 3. [FEDERAL PARTICIPATION.] The metropolitan council

and the airports commission shall make maximum use of available federal funding for their activities under sections 1 to 4.

Subd. 4. [CONSULTATION.] The metropolitan council and the airports commission shall prepare the plans and reports under sections 1 to 4 in consultation with each other, the commissioner of transportation, the federal aviation administration, industry representatives, and other interested persons.

Subd. 5. [COMMENCEMENT.] In order to meet the planning deadlines prescribed in sections 1 to 4, the agencies may begin preparing plans and studies immediately, without waiting for the completion of the interagency agreement or the completion and review of the scope of work report.

Sec. 6. Minnesota Statutes 1988, section 473.621, subdivision 1a, is amended to read:

Subd. 1a. [RELATIONSHIP TO LEGISLATURE.] The commission shall be held accountable to the legislature in its activities, plans, policies, and programs. It shall report each session to appropriate committees of the legislature as to its activities, plans, policies, and programs and shall make other reports and recommendations which the legislature or its committees deem appropriate. ~~The commission shall adopt a long term comprehensive plan for the Minneapolis-St. Paul International Airport. The plan must describe, in the degree of detail that the commission deems appropriate for at least a prospective ten-year period, the following:~~

- (1) aviation demand;
- (2) airport capacity, including environmental, runway, terminal, and other factors relevant to capacity;
- (3) a plan and financial estimates for physical development;
- (4) airport operational characteristics;
- (5) compatibility with the capacity of metropolitan and local physical facility systems;
- (6) environmental effects; and
- (7) the effect on the neighboring communities.

The plan must be submitted to the legislature by December 31, 1988, and be updated at least every five years thereafter. The plan is subject to sections 473.165 and 473.611.

Sec. 7. [STATE ADVISORY COUNCIL.]

Subdivision 1. [ESTABLISHMENT; PURPOSE.] A state of Minnesota advisory council on metropolitan airport planning is established to provide a forum at the state level for education, discussion, and advice on the reports prepared for the legislature by the metropolitan council and metropolitan airports commission.

Subd. 2. [AUTHORITY; DUTIES.] (a) The advisory council shall review and comment on the scope of work report required by section 5, subdivision 2.

(b) The advisory council shall review and comment on the reports to the legislature required by section 1, subdivision 4, section 3, subdivision 4, and section 4.

(c) The advisory council may conduct public meetings on the reports to inform the public and solicit opinion.

(d) The advisory council may request interim briefings on work in progress.

Subd. 3. [MEMBERSHIP.] The members of the advisory council are:

(1) six legislators, three members of the senate and three members of the house of representatives, appointed by the customary appointing authority of each house;

(2) the commissioners of transportation, planning, the pollution control agency, and trade and economic development, or their designees;

(3) two metropolitan council members, appointed by the metropolitan council, at least one from a district directly affected by the international airport;

(4) two members of the metropolitan airports commission, appointed by the airports commission, at least one from a district directly affected by the international airport;

(5) two representatives of the aviation industry, appointed by the metropolitan council;

(6) four persons who are not eligible for selection under other clauses appointed as follows: two persons appointed by the customary appointing authority of each house of the legislature, one from the metropolitan area and the other from elsewhere in the state; and

(7) a representative of the federal aviation administration and persons representing members of Congress from the state, serving ex officio.

Members serve at the pleasure of the appointing authority.

Subd. 4. [CHAIRS.] The legislative appointing authorities shall each designate a legislative appointee to serve as a co-chair of the advisory council.

Subd. 5. [ADMINISTRATION.] On the request of the advisory council, legislative staff offices and the state and metropolitan agencies represented on the advisory council shall provide administrative and staff assistance.

Subd. 6. [TERMINATION.] The advisory council ceases to exist when the actions required by section 3, subdivision 3, and section 4 are completed.

Sec. 8. [COMPLIANCE WITH OTHER LAWS.]

Nothing in sections 1 to 9 relieves the commission or the council of any duties or responsibilities otherwise imposed by law.

Sec. 9. [APPLICATION.]

Sections 1 to 6 apply in the counties of Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington."

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Governmental Operations.

The report was adopted.

Long from the Committee on Taxes to which was referred:

H. F. No. 1357, A bill for an act relating to taxation; liquor; changing the time limit for certain claims for refund; amending Minnesota Statutes 1988, section 297C.06, subdivisions 2 and 5.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

H. F. No. 1405, A bill for an act relating to liquor; requiring notice and hearing before liquor license fees are increased; amending Minnesota Statutes 1988, section 340A.408, by adding a subdivision.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 1415, A bill for an act relating to workers' compensation; regulating insurance for truckers and loggers; imposing a tax on certain purchasers of wood to subsidize insurance costs of loggers; regulating coverages and rates; appropriating money; amending Minnesota Statutes 1988, sections 79.251, subdivision 3; 79.252, by adding a subdivision; 176.011, by adding a subdivision; 176.041, subdivision 1; 176.102, by adding a subdivision; 176.184, by adding a subdivision; and 176A.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 176; proposing coding for new law as Minnesota Statutes, chapter 297E.

Reported the same back with the following amendments:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 79.251, subdivision 3, is amended to read:

Subd. 3. [RATES.] Insureds served by the assigned risk plan shall be charged premiums based upon a rating plan, including a merit rating plan adopted by the commissioner by rule. The commissioner shall annually, not later than January 1 of each year, establish the schedule of rates applicable to assigned risk plan business. Assigned risk premiums shall not be lower than rates generally charged by insurers for the business. The commissioner shall fix the compensation received by the agent of record. The commissioner shall provide a quarterly payment plan for the logging industry. The establishment of the assigned risk plan rates and agent fees are not subject to chapter 14.

Sec. 2. Minnesota Statutes 1988, section 79.252, is amended by adding a subdivision to read:

Subd. 6. [COVERAGE OUTSIDE STATE.] Policies issued by the assigned risk plan pursuant to this chapter may also provide workers' compensation coverage required under the laws of states other than Minnesota, including coverages commonly known as "all states coverage." The commissioner, on behalf of the assigned risk plan, may apply for and obtain any licensure required in any other state to issue that coverage.

## Sec. 3. [79.571] [TRUCK DRIVER CLASSIFICATIONS.]

Subdivision 1. [COMBINING CERTAIN CLASSIFICATIONS.] The purpose of this section is to spread the high cost of workers' compensation premiums for truck drivers among a broader range of classifications in the trucking industry without unnecessarily raising rates in classifications that typically include employees with a relatively low risk of injury.

The following classifications from the basic manual for workers' compensation and employers liability insurance, including the Minnesota exceptions, shall be combined into one classification and all risks in the combined classification must be charged a uniform workers' compensation rate:

7219 - All employees and drivers, not otherwise classified

7380 - Drivers, chauffeurs, and their helpers, not otherwise classified - commercial

8293 - Furniture moving and storage drivers

The risks in classifications 7219, 7380, and 8293, as of January 1, 1989, and any risks after that date that would have been classified as a risk under the 7219, 7380, or 8293 classification in the basic manual of workers' compensation and employers liability insurance classification system in existence on January 1, 1989, including the Minnesota exceptions, must be assigned to the combined class created by this subdivision.

Subd. 2. [MANDATORY USE OF CLASSIFICATION.] An insurer or data service organization is prohibited from filing or using rates or a rating system or a classification system for truck drivers that does not comply with this section. An insurer or data service organization is prohibited from restructuring or varying the risk classification system to eliminate or modify the combined classification created by this subdivision or to remove or add any categories of risks from the combined classification without first obtaining approval of the commissioner. The commissioner shall not approve a variation of the uniform classification system that is inconsistent with the purpose of this section.

Subd. 3. [MANDATORY EXPERIENCE RATING.] An insurer for a business entity or individual engaged in the truck driving industry must use an experience rated plan. An insurer may not exempt from this requirement trucking businesses for which the workers' compensation insurance premium is less than a certain dollar amount.

Subd. 4. [DETERMINATION OF RISK ASSIGNMENT.] If a

dispute arises concerning whether or not a risk should be assigned to the combined classification established in subdivision 1, the commissioner shall determine the appropriate classification. If the employer or insurer disagrees with the commissioner's decision, the employer or insurer may request a hearing under chapter 14 by filing a written request with the commissioner within 30 days of the service and filing of the decision on a form prescribed by the commissioner. The commissioner may adopt rules to implement this section.

Sec. 4. Minnesota Statutes 1988, section 79.60, subdivision 2, is amended to read:

Subd. 2. [PERMITTED ACTIVITY.] In addition to any other activities not prohibited by this chapter, insurers may:

(a) Through licensed data service organizations, individually, or with insurers commonly owned, managed, or controlled, conduct research and collect statistics to investigate, identify, and classify information relating to causes or prevention of losses;

(b) Develop and use classification plans and rates based upon any reasonable factors subject to section 3; and

(c) Develop rules for the assignment of risks to classifications subject to section 3.

Sec. 5. Minnesota Statutes 1988, section 79.61, subdivision 1, is amended to read:

Subdivision 1. [REQUIRED ACTIVITY.] Any data service organization shall perform the following activities:

(a) File statistical plans, including classification definitions, amendments to the plans, and definitions, with the commissioner for approval, and assign each compensation risk written by its members to its approved classification for reporting purposes subject to section 3;

(b) Establish requirements for data reporting and monitoring methods to maintain a high quality data base;

(c) Prepare and distribute a periodic report, in a form prescribed by the commissioner, on ratemaking including, but not limited to the following elements:

(i) development factors and alternative derivations;

(ii) trend factors and alternative derivations and applications;

(iii) pure premium relativities for the approved classification system for which data are reported, provided that the relativities for insureds engaged in similar occupations and presenting substantially similar risks shall, if different, differ by at least ten percent; and

(iv) an evaluation of the effects of changes in law on loss data.

The report shall also include explicit discussion and explanation of methodology, alternatives examined, assumptions adopted, and areas of judgment and reasoning supporting judgments entered into, and the effect of various combinations of these elements on indications for modification of an overall pure premium rate level change. The pure premium relativities and rate level indications shall not include a loading for expenses or profit and no expense or profit data or recommendations relating to expense or profit shall be included in the report or collected by a data service organization;

(d) Collect, compile, summarize, and distribute data from members or other sources pursuant to a statistical plan approved by the commissioner;

(e) Prepare merit rating plan and calculate any variable factors necessary for utilization of the plan. Such a plan may be used by any of its members, at the option of the member provided that the application of a plan shall not result in rates that are unfairly discriminatory;

(f) Provide loss data specific to an insured to the insured at a reasonable cost;

(g) Distribute information to an insured or interested party that is filed with the commissioner and is open to public inspection; and

(h) Assess its members for operating expenses on a fair and equitable basis.

Sec. 6. Minnesota Statutes 1988, section 176.011, subdivision 11a, is amended to read:

Subd. 11a. [FAMILY FARM.] "Family farm" means any farm operation which (1) pays or is obligated to pay less than \$8,000 \$20,000 in cash wages, exclusive of machine hire, to farm laborers for services rendered during the preceding calendar year, and (2) has total liability and medical payment coverage equal to \$250,000 and \$5,000, respectively, under a farm liability insurance policy. For purposes of this subdivision, farm laborer does not include any spouse, parent or child, regardless of age, of a farmer employed by the farmer, or any executive officer of a family farm corporation as defined in section 500.24, subdivision 2, or any spouse, parent or

child, regardless of age, of such an officer employed by that family farm corporation, or other farmers in the same community or members of their families exchanging work with the employer. Notwithstanding any law to the contrary, a farm laborer shall not be considered as an independent contractor for the purposes of this chapter; provided that a commercial baler or commercial thresher shall be considered an independent contractor.

Sec. 7. Minnesota Statutes 1988, section 176.041, subdivision 1, is amended to read:

Subdivision 1. [EMPLOYMENTS EXCLUDED.] This chapter does not apply to any of the following:

(a) a person employed by a common carrier by railroad engaged in interstate or foreign commerce and who is covered by the Federal Employers' Liability Act, United States Code, title 45, sections 51 to 60, or other comparable federal law;

(b) a person, except a migrant worker as defined under section 181.85, employed by a family farm as defined by section 176.011, subdivision 11a;

(c) the spouse, parent, and child, regardless of age, of a farmer-employer working for the farmer-employer;

(d) a sole proprietor, or the spouse, parent, and child, regardless of age, of a sole proprietor;

(e) a partner engaged in a farm operation or a partner engaged in a business and the spouse, parent, and child, regardless of age, of a partner in the farm operation or business;

(f) an executive officer of a family farm corporation;

(g) an executive officer of a closely held corporation having less than 22,880 hours of payroll in the preceding calendar year, if that executive officer owns at least 25 percent of the stock of the corporation;

(h) a spouse, parent, or child, regardless of age, of an executive officer of a family farm corporation as defined in section 500.24, subdivision 2, and employed by that family farm corporation;

(i) a spouse, parent, or child, regardless of age, of an executive officer of a closely held corporation who is referred to in paragraph (g);

(j) another farmer or a member of the other farmer's family

exchanging work with the farmer-employer or family farm corporation operator in the same community;

(k) a person whose employment at the time of the injury is casual and not in the usual course of the trade, business, profession, or occupation of the employer;

(l) persons who are independent contractors as defined by rules adopted by the commissioner pursuant to section 176.83 except that this exclusion does not apply to an employee of an independent contractor and does not apply to loggers, as defined in section 9, unless the logger qualifies for exclusion under paragraph (d), (e), or (g) of this section;

(m) an officer or a member of a veterans' organization whose employment relationship arises solely by virtue of attending meetings or conventions of the veterans' organization, unless the veterans' organization elects by resolution to provide coverage under this chapter for the officer or member;

(n) a person employed as a household worker in, for, or about a private home or household who earns less than \$1,000 in cash in a three-month period from a single private home or household provided that a household worker who has earned \$1,000 or more from the household worker's present employer in a three-month period within the previous year is covered by this chapter regardless of whether or not the household worker has earned \$1,000 in the present quarter;

(o) persons employed by a closely held corporation who are related by blood or marriage, within the third degree of kindred according to the rules of civil law, to an officer of the corporation, who is referred to in paragraph (g), if the corporation files a written election with the commissioner to exclude such individuals. A written election is not required for a person who is otherwise excluded from this chapter by this section;

(p) a nonprofit association which does not pay more than \$1,000 in salary or wages in a year;

(q) persons covered under the Domestic Volunteer Service Act of 1973, as amended, United States Code, title 42, sections 5011, et. seq.

Sec. 8. Minnesota Statutes 1988, section 176.102, is amended by adding a subdivision to read:

Subd. 4a. [PILOT PROJECT.] (a) The purpose of this pilot project is to test the impact of early and intense rehabilitation efforts in the regulated motor carrier industry, (truckers who are subject to

chapter 221 as "for hire" motor carriers), which has high workers' compensation costs in part because of difficulty in bringing injured employees back to work.

(b) Within three working days after the filing of the first report of injury, the employer shall refer all truck drivers in the regulated motor carrier industry who have not returned to work to the division of rehabilitation services of the department of jobs and training. The division of rehabilitation services shall provide immediate rehabilitation services to those employees it determines are not likely to return to work within 30 days of the injury. The employee must cooperate with any rehabilitation plan adopted under this section. The employee may change to a different qualified rehabilitation consultant at the division of rehabilitation services but may not change to a private qualified rehabilitation consultant.

(c) The rehabilitation plan under this section must give high priority to returning the injured employee to work as soon as possible. When a suitable job under section 176.101, subdivision 3(e) is not immediately available, the plan should attempt to get the employee back to a job under section 176.101, subdivision 3(f), as soon as possible. After the employee has returned to a job under subdivision 3(f), additional efforts shall be made to find a suitable job. At the time the plan is developed, the participants shall evaluate the need for retraining, although the need may be reconsidered at any time.

(d) Fees for the qualified rehabilitation consultant shall be paid by the division of rehabilitation services and are not recoverable from the employer or insurer. All other rehabilitation costs shall be paid by the employer.

(e) The division of rehabilitation services shall report to the legislature by January 1, 1992, regarding the impact of this project on returning injured truckers to work.

(f) This subdivision shall apply to all injuries to truck drivers from July 1, 1989 to June 30, 1991.

**Sec. 9. [176.130] [TARGETED INDUSTRY FUND; LOGGERS.]**

Subdivision 1. [DEFINITIONS.] For purposes of this section the following terms have the meaning given them, except where the context clearly indicates a different meaning.

(a) "Commissioner" is the commissioner of labor and industry unless otherwise provided.

(b) "Logger" is limited to the following occupations:

(1) timber fellers are those who employ chainsaws or other mechanical devices mounted on logging vehicles to fell or delimb trees;

(2) buckers or chippers are those who cut trees into merchantable lengths with either chainsaws or heavier machinery including slashers, harvesters, and processors;

(3) skidders or forwarders are those who either drag logs or trees to roadside landings, or load and transport logs or short wood (fuel wood or pulp wood) to similar destinations; and

(4) timber harvesters or processors are those who combine two or more of the operations listed above.

(c) "Logging industry" means loggers and employers of loggers.

(d) "Wood mill" means the primary processors of wood or wood chips including, but not limited to, hard board manufacturers, wafer board or oriented strand board manufacturers, pulp and paper manufacturers, sawmills, and other primary manufacturers who do the initial processing of wood purchased from loggers.

(e) "Insurer" means any insurance company that provides workers' compensation coverage for loggers including the Minnesota assigned risk plan.

Subd. 2. [ADMINISTRATION.] The commissioner shall administer and enforce this chapter. Payments required by this chapter shall be made on forms provided by the commissioner. The commissioner shall maintain a separate account at the special compensation fund for the purposes of this section and shall collect all assessments and allocate the assessments as provided in this section.

Subd. 3. [PROOF OF INSURANCE; LOGGING INDUSTRY.] Purchasers of wood from the logging industry shall obtain from the logger a certification of compliance with the mandatory insurance requirements of this chapter, or reason for exemption, on a form prescribed by the commissioner. Purchaser includes, but is not limited to, dealers and jobbers buying from the logging industry to sell to wood mills and wood mills that buy directly from the logging industry. Certificates obtained by the purchaser shall be submitted to the commissioner on request. The powers of inspection and enforcement pertaining to employers under section 176.184 shall be available with regard to purchasers under this section.

Subd. 4. [ASSESSMENT.] There is imposed an assessment, at the rate of 25 cents per cord of wood, for every cord of wood in excess of 5,000 cords, purchased or acquired in any calendar year, either

inside or outside the state of Minnesota, by a wood mill located in Minnesota. This assessment shall be paid by the wood mill to the commissioner on or before February 1 for the previous calendar year and shall not, in any way, be recovered by the wood mill from the logging industry.

Subd. 5. [ANNUAL REPORTS; WOOD MILLS; INSURERS.] (a) Each wood mill that purchases or acquires more than 5,000 cords of wood in a calendar year shall, on or before February 1, make and file with the commissioner a report setting forth the number of cords purchased or acquired in the preceding calendar year, and other information the commissioner may require for the proper administration of this chapter.

(b) Each insurer shall, on or before February 1, make and file with the commissioner a report setting forth the total amount of premium dollars received in the preceding calendar year for providing workers' compensation coverage to loggers, and other information the commissioner may require for the proper administration of this chapter.

Subd. 6. [ALLOCATION OF ASSESSMENT.] Money collected under this section shall be paid by the commissioner, on or before June 1, directly to each insurer in a proportion equal to the proportion that the total premium dollars received by that insurer in the preceding calendar year for providing workers' compensation coverage to loggers is to the total premium dollars received by all insurers in the preceding calendar year for providing that coverage.

Subd. 7. [USE OF ASSESSMENT BY INSURERS.] Money paid to insurers under subdivision 6 shall be used to reimburse policyholders who have paid premiums for workers' compensation coverage on loggers. The insurer shall reimburse to those policyholders a proportion of the money equal to the proportion that the policyholder's premium for the preceding calendar year is to the total premium dollars for all such policyholders of that insurer in the preceding calendar year. The insurer shall reimburse the policyholders within 30 days after receiving payment from the commissioner. Where, after reasonable efforts, the insurer is unable to locate a policyholder or otherwise make payment, the payment shall be submitted to the commissioner of commerce as unclaimed property. Reimbursement for the assigned risk plan shall be made by the company holding a service contract under section 79.251, subdivision 4.

Subd. 8. [INSPECTION.] The commissioner or duly authorized employees may, at all reasonable hours, enter in and upon the premises of a wood mill or an insurer and examine books, papers, and records to determine whether the assessment has been properly paid or properly reimbursed.

Subd. 9. [PENALTIES; WOOD MILLS.] Where the assessment

provided for in this chapter is not paid on or before February 1 of the year when due and payable, the commissioner may impose penalties, as provided in section 176.129, subdivision 10.

Subd. 10. [PENALTIES; INSURERS.] Where the reimbursement provided for in this section is not mailed by the insurer to the policyholder within 30 days after receiving payment from the commissioner, the commissioner may impose penalties, as provided in section 176.129, subdivision 10. Where the insurer is unable to make reimbursement to the policyholder, the reimbursement shall be submitted to the commissioner as unclaimed property within 180 days after receiving payment from the commissioner.

Subd. 11. [FALSE REPORTS.] Any person or entity who, for the purpose of evading payment of the assessment or avoiding the reimbursement, or any part of it, and makes a false report under this section shall pay to the special compensation fund a penalty of 50 percent of the amount of the assessment. A person who knowingly makes or signs any false report, or who knowingly submits any other false information, is guilty of a misdemeanor, and upon conviction, punished as provided by law.

Subd. 12. [EMPLOYER/EMPLOYEE RELATIONSHIP.] This section shall not be construed in any way to create an employer/employee relationship or used as a factor in determining the existence of an employer/employee relationship.

Sec. 10. Minnesota Statutes 1988, section 176.135, subdivision 1, is amended to read:

Subdivision 1. [MEDICAL, CHIROPRACTIC, PODIATRIC, SURGICAL, HOSPITAL.] (a) The employer shall furnish any medical, chiropractic, podiatric, surgical and hospital treatment, including nursing, medicines, medical, chiropractic, podiatric, and surgical supplies, crutches and apparatus, including artificial members, or, at the option of the employee, if the employer has not filed notice as hereinafter provided, Christian Science treatment in lieu of medical treatment, chiropractic medicine and medical supplies, as may reasonably be required at the time of the injury and any time thereafter to cure and relieve from the effects of the injury. This treatment shall include treatments necessary to physical rehabilitation. Exposure to rabies is an injury and an employer shall furnish preventive treatment to employees exposed to rabies. The employer shall furnish replacement or repair for artificial members, glasses, or spectacles, artificial eyes, podiatric orthotics, dental bridge work, dentures or artificial teeth, hearing aids, canes, crutches, or wheel chairs damaged by reason of an injury arising out of and in the course of the employment. In case of the employer's inability or refusal seasonably to do so the employer is liable for the reasonable expense incurred by or on behalf of the employee in providing the same, including costs of copies of any medical records or medical

reports that are in existence, obtained from health care providers, and that directly relate to the items for which payment is sought under this chapter, limited to the charges allowed by subdivision 7, and attorney fees incurred by the employee. No action to recover the cost of copies may be brought until the commissioner adopts a schedule of reasonable charges under subdivision 7. Attorney's fees shall be determined on an hourly basis according to the criteria in section 176.081, subdivision 5. The employer shall pay for the reasonable value of nursing services by a member of the employee's family in cases of permanent total disability.

(b) Both the commissioner and the compensation judges have authority to make determinations under this section in accordance with sections 176.106 and 176.305.

Sec. 11. Minnesota Statutes 1988, section 176.136, subdivision 1, is amended to read:

Subdivision 1. [SCHEDULE.] The commissioner shall by rule establish procedures for determining whether or not the charge for a health service is excessive. In order to accomplish this purpose, the commissioner shall consult with insurers, associations and organizations representing the medical and other providers of treatment services and other appropriate groups. The procedures established by the commissioner shall limit the charges allowable for medical, chiropractic, podiatric, surgical, hospital and other health care provider treatment or services, as defined and compensable under section 176.135, to the 75th percentile of usual and customary fees or charges based upon billings for each class of health care provider during all of the calendar year preceding the year in which the determination is made of the amount to be paid the health care provider for the billing. The procedures established by the commissioner for determining whether or not the charge for a health service is excessive shall be structured to encourage providers to develop and deliver services for rehabilitation of injured workers. The procedures shall incorporate the provisions of sections 144.701, 144.702, and 144.703 to the extent that the commissioner finds that these provisions effectively accomplish the intent of this section or are otherwise necessary to insure that quality hospital care is available to injured employees.

Sec. 12. Minnesota Statutes 1988, section 176.136, subdivision 5, is amended to read:

Subd. 5. [PERMANENT RULES.] Where permanent rules have been adopted to implement this section, the commissioner shall annually give notice in the State Register of the 75th percentile reimbursement allowance to meet the requirements of subdivision 1. The notice shall be in lieu of the requirements of chapter 14 if the 75th percentile for the service meets and shall be set at the 75th

percentile of the billings for each service in the data base; provided that the requirements of paragraphs (a) to (e) are met.

(a) The data base includes at least three different providers of the service.

(b) The data base contains at least 20 billings for the service.

(c) The standard deviation as a percentage of the mean of billings for the service is 50 percent or less. The data is taken from the data base of Blue Cross and Blue Shield of Minnesota where available; if not available from Blue Cross and Blue Shield of Minnesota, the data will be taken directly from the health care providers, professional associations, or other available sources.

(d) The means of the Blue Cross and Blue Shield data base and of the department of human services data base for the service are within 20 percent of each other. The standard deviation is less than or equal to 50 percent of the mean of the billings for each service in the data base or the value of the 75th percentile is not greater than or equal to three times the value of the 25th percentile of the billings for each service in the data base.

(e) The data is taken from the data base of Blue Cross and Blue Shield or the department of human services. The 75th percentile logically reflects the usual and customary charges for the service.

If the commissioner identifies a problem with the data for a particular service such that the 75th percentile does not logically reflect the usual and customary charges for that service, the commissioner may, upon consultation with the Medical Services Review Board, set the reimbursement fee.

Sec. 13. Minnesota Statutes 1988, section 176.155, subdivision 1, is amended to read:

Subdivision 1. [EMPLOYER'S PHYSICIAN.] The injured employee must submit to examination by the employer's physician, if requested by the employer, and at reasonable times thereafter upon the employer's request. The examination must be scheduled at a location within 150 miles of the employee's residence unless the employer can show cause to the department or a compensation judge to order an examination at a location further from the petitioner's residence. The employee is entitled upon request to have a personal physician present at any such examination. Each party shall defray the cost of that party's physician. Any report or written statement made by the employer's physician as a result of an examination of the employee, regardless of whether the examination preceded the injury or was made subsequent to the injury, shall be made available, upon request and without charge, to the injured employee or

representative of the employee. The employer shall pay reasonable travel expenses, in advance if requested, incurred by the employee in attending the examination including mileage, parking, and, if necessary, lodging and meals. The employer shall also pay the employee for any lost wages resulting from attendance at the examination. A self-insured employer or insurer who is served with a claim petition pursuant to section 176.271, subdivision 1, or 176.291, shall schedule any necessary examinations of the employee, if an examination by the employer's physician or health care provider is necessary to evaluate benefits claimed. The examination shall be completed and the report of the examination shall be served on the employee and filed with the commissioner within 120 days of service of the claim petition.

No evidence relating to the examination or report shall be received or considered by the commissioner, a compensation judge, or the court of appeals in determining any issues unless the report has been served and filed as required by this section, unless a written extension has been granted by the commissioner or compensation judge. The commissioner or a compensation judge shall extend the time for completing the adverse examination and filing the report upon good cause shown. The extension must not be for the purpose of delay and the insurer must make a good faith effort to comply with this subdivision. Good cause shall include but is not limited to:

(1) that the extension is necessary because of the limited number of physicians or health care providers available with expertise in the particular injury or disease, or that the extension is necessary due to the complexity of the medical issues, or

(2) that the extension is necessary to gather addition information which was not included on the petition as required by section 176.291.

Sec. 14. Minnesota Statutes 1988, section 176.541, subdivision 1, is amended to read:

Subdivision 1. [APPLICATION OF CHAPTER TO STATE EMPLOYEES.] This chapter applies to the employees of any department of this state the executive, legislative, and judicial branches of the state, the University of Minnesota, and any other entity whose workers' compensation liability is paid from the state revolving fund, including the state historical society and the state agricultural society.

Sec. 15. Minnesota Statutes 1988, section 176.541, subdivision 2, is amended to read:

Subd. 2. [DEFENSE OF CLAIM AGAINST STATE.] When the commissioner of employee relations believes that a claim against the state for compensation should be contested, the commissioner shall

defend the state claim. The commissioner has sole authority to settle claims on behalf of the state.

Sec. 16. Minnesota Statutes 1988, section 176.541, subdivision 3, is amended to read:

Subd. 3. [DUTIES OF ATTORNEY GENERAL.] At any stage in such a compensation proceeding under this section, the attorney general may assume the duty of defending the state. When the commissioner of employee relations or a department of this state requests the attorney general to assume the defense, the attorney general shall do so.

Sec. 17. Minnesota Statutes 1988, section 176.541, subdivision 5, is amended to read:

Subd. 5. [EXPENSES OF CONDUCTING DEFENSE.] The expenses of conducting a defense shall must be charged to the department which entity that employs the employee involved. These expenses shall must be paid from the state compensation revolving fund.

Sec. 18. Minnesota Statutes 1988, section 176.541, subdivision 6, is amended to read:

Subd. 6. [LEGAL, PROFESSIONAL, AND CLERICAL HELP SERVICES.] The commissioner of employee relations may employ such legal, professional, and clerical help services as authorized by the department of administration finance. The salaries cost of these persons shall the services must be paid from the state compensation revolving fund; but shall be apportioned among the several departments of the state in relation to the amount of compensation paid to employees of any department as against the total amount of compensation paid to employees of all departments.

Sec. 19. Minnesota Statutes 1988, section 176.551, subdivision 1, is amended to read:

Subdivision 1. [HEADS OF STATE DEPARTMENTS EMPLOYING ENTITIES TO REPORT ACCIDENTS TO EMPLOYEES.] Except as provided in subdivision 2, the head of a department of the state employing entity, including the University of Minnesota and other entities whose workers' compensation liability is paid from the state revolving fund, shall report each accident which that occurs to an employee as and in the manner required by this chapter.

Sec. 20. Minnesota Statutes 1988, section 176.571, is amended to read:

## 176.571 [INVESTIGATIONS OF INJURIES TO STATE EMPLOYEES.]

Subdivision 1. [PRELIMINARY INVESTIGATION.] When the head of a department an employing state entity has filed a report or the commissioner of employee relations has otherwise received information of the occurrence of an injury to a state employee for which liability to pay compensation may exist, the commissioner of employee relations shall make a preliminary investigation to determine the question of probable liability.

In making this investigation, the commissioner of employee relations may require the assistance of the head of any department entity or any employee of the state. The commissioner of employee relations may require that all facts be furnished ~~which~~ that appear in the records of any state department entity bearing on the issue.

Subd. 2. [DETERMINATION BY DEPARTMENT.] When the commissioner of the department of employee relations has completed an investigation, the commissioner shall inform the claimant, and the head of the employing department, and the commissioner of finance entity in writing of the action taken.

Sec. 21. Minnesota Statutes 1988, section 176.581, is amended to read:

## 176.581 [PAYMENT TO STATE EMPLOYEES.]

Upon a warrant ~~prepared~~ approved by the commissioner of the department of employee relations and ~~approved~~ prepared by the commissioner of finance, and in accordance with the terms of the order awarding compensation, the state treasurer shall pay compensation to the employee or the employee's dependent. These payments ~~shall~~ be made from money appropriated for this purpose.

Sec. 22. Minnesota Statutes 1988, section 176.591, subdivision 1, is amended to read:

Subdivision 1. [ESTABLISHMENT.] To facilitate the discharge by the state of its obligations under this chapter, ~~there is established a revolving fund to be known as the state compensation revolving fund is maintained in the state treasury.~~

This fund is ~~comprised of~~ comprises the unexpended balance in the fund on July 1, 1935, and the sums ~~which the several departments~~ employing entities of the state pay to the fund.

Sec. 23. Minnesota Statutes 1988, section 176.591, subdivision 3, is amended to read:

Subd. 3. [COMPENSATION PAYMENTS UPON WARRANTS.] The state treasurer shall make compensation payments from the fund only as authorized by this chapter upon warrants of approved by the commissioner of the department of employee relations.

Sec. 24. Minnesota Statutes 1988, section 176.603, is amended to read:

176.603 [COST OF ADMINISTERING CHAPTER, PAYMENT.]

The annual cost to the commissioner of the department of employee relations of administering this chapter in relation to state employees and the necessary expenses ~~which that~~ the department of employee relations or the attorney general incurs in containing costs or in investigating, administering, and defending a claim against the state for compensation shall must be paid from the state compensation revolving fund.

Sec. 25. Minnesota Statutes 1988, section 176.611, subdivision 2, is amended to read:

Subd. 2. [STATE DEPARTMENTS.] ~~Every department~~ An employing entity of the state, including the University of Minnesota, shall reimburse the fund for money paid for its claims, an occupational preventative health and safety program under section 15.46, and the costs of administering the revolving fund at ~~such whatever~~ times and in ~~such whatever~~ amounts as the commissioner of employee relations ~~shall certify~~ certifies has been paid out of the fund ~~on its behalf~~. The heads of the ~~departments~~ entities shall anticipate these payments by including them in their budgets. In addition, the commissioner of employee relations, with the approval of the commissioner of finance, may require an agency entity to make advance payments to the fund sufficient to cover the agency's entity's estimated obligation for a period of at least 60 days. Reimbursements and other money received by the commissioner of employee relations under this subdivision must be credited to the state compensation revolving fund.

Sec. 26. Minnesota Statutes 1988, section 176A.03, is amended by adding a subdivision to read:

Subd. 3. [COVERAGE OUTSIDE STATE.] Policies issued by the fund pursuant to this chapter may also provide workers' compensation coverage required under the laws of states other than Minnesota, including coverages commonly known as "all states coverage." The fund may apply for and obtain any licensure required in any other state to issue the coverage.

Sec. 27. [APPROPRIATION.]

\$381,860 is appropriated for the biennium ending June 30, 1991, from the special compensation fund to the department of jobs and training for the purposes of section 176.102, subdivision 4a. The complement of the department of jobs and training is increased by six positions but only until June 30, 1991.

Sec. 28. [APPROPRIATION.]

\$25,000 is appropriated from the special compensation fund to the department of labor and industry for each fiscal year in the biennium beginning July 1, 1989, to be used for a safety program in the logging industry. The commissioner of labor and industry may contract with a private entity to plan and implement the safety program."

Delete the title and insert:

"A bill for an act relating to workers' compensation; regulating insurance for truckers, loggers, and farmers; imposing an assessment on certain purchasers of wood to subsidize insurance costs of loggers; regulating coverages and rates, regulating medical fees and examinations; appropriating money; amending Minnesota Statutes 1988, sections 79.251, subdivision 3; 79.252, by adding a subdivision; 79.60, subdivision 2; 79.61, subdivision 1; 176.011, subdivision 11a; 176.041, subdivision 1; 176.102, by adding a subdivision; 176.135, subdivision 1; 176.136, subdivisions 1 and 5; 176.155, subdivision 1; 176.541, subdivisions 1, 2, 3, 5, and 6; 176.551, subdivision 1; 176.571; 176.581; 176.591, subdivisions 1 and 3; 176.603; 176.611, subdivision 2; and 176A.03, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 79 and 176."

With the recommendation that when so amended the bill pass.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1416, A bill for an act relating to state lands; authorizing private conveyance of certain tax-forfeited land in Benton county.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Ogren from the Committee on Health and Human Services to which was referred:

H. F. No. 1429, A bill for an act relating to licensure of ambulance services; establishing new standards; amending Minnesota Statutes 1988, sections 144.801, subdivisions 4 and 7; 144.802, subdivisions 3, 3a, 4, and by adding a subdivision; 144.804; 144.806; 144.807, subdivision 1; 144.808; 144.809; and 144.8091; repealing Minnesota Statutes 1988, sections 144.805; 144.807, subdivision 3; and 144.8092.

Reported the same back with the following amendments:

Page 1, line 21, delete "may" and insert "is likely to"

Page 6, line 8, after the period insert "The commissioner may grant a variance to allow a licensed ambulance service to use attendants certified by the American Red Cross in advanced first aid and emergency care in order to ensure 24-hour emergency ambulance coverage. The variance must expire no later than August 1, 1990."

With the recommendation that when so amended the bill pass.

The report was adopted.

Osthoff from the Committee on Financial Institutions and Housing to which was referred:

H. F. No. 1438, A resolution memorializing the Board of Governors of the Federal Reserve Board to reject amendments to its rules that would govern permissible activities of state-chartered banks.

Reported the same back with the recommendation that the bill pass and be placed on the Consent Calendar.

The report was adopted.

Begich from the Committee on Labor-Management Relations to which was referred:

H. F. No. 1460, A bill for an act relating to unemployment compensation; making various technical corrections; amending Minnesota Statutes 1988, sections 268.04, subdivisions 12 and 25; 268.06, subdivisions 1, 8a, and 28; 268.07, subdivisions 2 and 3; 268.09, subdivision 1; 268.10, subdivisions 1 and 2; 268.12, subdivision 12; 268.16, subdivision 4; 268.162, subdivision 1; 268.163, subdivision 1; and 268.165, subdivisions 1 and 2.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Munger from the Committee on Environment and Natural Resources to which was referred:

H. F. No. 1464, A resolution memorializing the Congress of the United States to reject pending legislation that would authorize the use of Minnesota waters for the transportation of coal and would grant the right of eminent domain of coal slurry pipelines.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Rules and Legislative Administration.

The report was adopted.

Sarna from the Committee on Commerce to which was referred:

H. F. No. 1476, A bill for an act relating to tourism; authorizing the commissioner of trade and economic development to make or participate in tourism-related loans; appropriating money; proposing coding for new law in chapter 116J.

Reported the same back with the following amendments:

Page 1, line 22, after the period insert "An eligible borrower may not receive a loan under this section if the borrower has received a tourism-related loan made by the state or participated in by the state in the past three years."

Amend the title as follows:

Page 1, line 5, after "in" insert "Minnesota Statutes,"

With the recommendation that when so amended the bill pass and be re-referred to the Committee on Economic Development.

The report was adopted.

Osthoff from the Committee on Financial Institutions and Housing to which was referred:

H. F. No. 1484, A bill for an act relating to transitional housing; providing flexibility in the use of transitional housing money;

providing for increased acquisition and rehabilitation of transitional housing; appropriating money; amending Minnesota Statutes 1988, section 462A.21, subdivisions 4k, 12, and by adding a subdivision.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Simoneau from the Committee on Governmental Operations to which was referred:

H. F. No. 1503, A bill for an act relating to state lands; authorizing conveyance of certain real property to the town of Round Lake.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

Jacobs from the Committee on Regulated Industries to which was referred:

S. F. No. 133, A bill for an act relating to statutes; providing free copies of Minnesota Statutes to public utilities commission; amending Minnesota Statutes 1988, section 3C.12, subdivision 2.

Reported the same back with the recommendation that the bill pass and be re-referred to the Committee on Appropriations.

The report was adopted.

Kelly from the Committee on Judiciary to which was referred:

S. F. No. 560, A bill for an act relating to criminal procedure; providing for the Ramsey county attorney to prosecute certain gross misdemeanors; amending Minnesota Statutes 1988, section 388.051, subdivision 2.

Reported the same back with the recommendation that the bill pass.

The report was adopted.

**SECOND READING OF HOUSE BILLS**

H. F. Nos. 65, 110, 116, 132, 156, 166, 193, 412, 456, 483, 557, 564, 595, 635, 678, 693, 700, 731, 761, 786, 837, 916, 930, 949, 1016, 1048, 1069, 1118, 1151, 1197, 1357, 1405, 1415, 1416, 1429, 1438, 1460 and 1503 were read for the second time.

**SECOND READING OF SENATE BILLS**

S. F. No. 560 was read for the second time.

**INTRODUCTION AND FIRST READING  
OF HOUSE BILLS**

The following House Files were introduced:

Tunheim introduced:

H. F. No. 1635, A bill for an act relating to education; providing guaranteed general educational revenue; amending Minnesota Statutes 1988, section 124A.22, subdivision 1.

The bill was read for the first time and referred to the Committee on Education.

McEachern and Bauerly introduced:

H. F. No. 1636, A bill for an act relating to education; simplifying the high school league's audit requirements; amending Minnesota Statutes 1988, section 129.121, subdivision 2.

The bill was read for the first time and referred to the Committee on Education.

Bennett introduced:

H. F. No. 1637, A bill for an act relating to education; imposing conditions on enrolling in, and getting a certificate for, public school driver's training courses and on certain driving privileges; amending Minnesota Statutes 1988, sections 171.04; and 171.05, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapters 126 and 171.

The bill was read for the first time and referred to the Committee on Education.

Tunheim introduced:

H. F. No. 1638, A bill for an act relating to education; authorizing a special capital loan for independent school district No. 682, Roseau.

The bill was read for the first time and referred to the Committee on Education.

Frederick and Haukoos introduced:

H. F. No. 1639, A bill for an act relating to taxation; exempting purchases by the department of transportation from sales tax and motor vehicle excise tax; amending Minnesota Statutes 1988, sections 297A.25, subdivision 11; and 297B.03.

The bill was read for the first time and referred to the Committee on Taxes.

Tjornhom, Runbeck, Limmer, Heap and Pellow introduced:

H. F. No. 1640, A bill for an act relating to taxation; individual income; providing for indexing of the tax brackets at the same time provided by federal law; amending Minnesota Statutes 1988, section 290.06, subdivision 2d.

The bill was read for the first time and referred to the Committee on Taxes.

Blatz, Begich, Abrams, Battaglia and Wenzel introduced:

H. F. No. 1641, A bill for an act relating to employment; prohibiting termination of sales representative agreements under certain circumstances; proposing coding for new law in Minnesota Statutes, chapter 325E.

The bill was read for the first time and referred to the Committee on Labor-Management Relations.

Milbert; Pugh; Nelson, K.; Wagenius and Scheid introduced:

H. F. No. 1642, A bill for an act relating to appropriations;

providing funds for a United States and Soviet Union high school academic program.

The bill was read for the first time and referred to the Committee on Education.

Price; Orenstein; Carlson, L.; Nelson, K., and Morrison introduced:

H. F. No. 1643, A bill for an act relating to education; requiring post-secondary education systems to include appropriate educational services for handicapped adults in their system plans; establishing a task force on education and training for handicapped adults; requiring a directory of education and training services for handicapped adults; amending Minnesota Statutes 1988, section 135A.06, subdivision 3.

The bill was read for the first time and referred to the Committee on Education.

Price; Poppenhagen; Orenstein; Carlson, L., and Morrison introduced:

H. F. No. 1644, A bill for an act relating to education; clarifying reporting responsibilities to the HECB; amending Minnesota Statutes 1988, section 136A.05.

The bill was read for the first time and referred to the Committee on Education.

Sarna introduced:

H. F. No. 1645, A bill for an act relating to commerce; regulating auto rental companies; providing licensing and bonding requirements; providing remedies; proposing coding for new law as Minnesota Statutes, chapter 65C.

The bill was read for the first time and referred to the Committee on Commerce.

Winter introduced:

H. F. No. 1646, A bill for an act relating to education; making eligibility for the post-secondary enrollment options act contingent upon pupils maintaining a minimum grade point average; requiring counselor approval; amending Minnesota Statutes 1988, section 123.3514, subdivisions 2, 4, and 4a.

The bill was read for the first time and referred to the Committee on Education.

Segal introduced:

H. F. No. 1647, A bill for an act relating to education; allowing school districts to be considered providers under the state medical assistance plan; proposing coding for new law in Minnesota Statutes, chapter 124.

The bill was read for the first time and referred to the Committee on Education.

Price, Kostohryz, Quinn, Osthoff and Gutknecht introduced:

H. F. No. 1648, A bill for an act relating to gambling; video games of chance; prohibiting cash awards; requiring notice to the public and to employees of the consequences of participating in cash awards; prescribing a penalty; amending Minnesota Statutes 1988, sections 349.51, subdivision 2; 349.53; and 349.56; proposing coding for new law in Minnesota Statutes, chapter 349.

The bill was read for the first time and referred to the Committee on General Legislation, Veterans Affairs and Gaming.

Marsh and Gruenes introduced:

H. F. No. 1649, A bill for an act relating to retirement; public employees retirement association; permitting the purchase of prior service by certain persons serving as elected members of a city council.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Tompkins, Rice, Macklin, Vellenga and McEachern introduced:

H. F. No. 1650, A bill for an act relating to education; creating a task force to assist in developing and reviewing materials that help young people make decisions about responsible sexual behavior; appropriating money.

The bill was read for the first time and referred to the Committee on Education.

Greenfield introduced:

H. F. No. 1651, A bill for an act relating to courts; declaring that money or assets in court-supervised settlement accounts are not available to a minor child or the child's parent or guardian, until released by the court, for purposes of determining eligibility for human services programs; amending Minnesota Statutes 1988, section 540.08.

The bill was read for the first time and referred to the Committee on Judiciary.

Greenfield, Clark, Jefferson and Osthoff introduced:

H. F. No. 1652, A bill for an act relating to housing; preservation of federally insured or assisted housing; appropriating money; amending Minnesota Statutes 1988, section 462A.07, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 462A.

The bill was read for the first time and referred to the Committee on Financial Institutions and Housing.

Pugh and Milbert introduced:

H. F. No. 1653, A bill for an act relating to capital improvements; appropriating money for improvements for redevelopment in South St. Paul; providing for the issuance of state building bonds.

The bill was read for the first time and referred to the Committee on Economic Development.

Jennings introduced:

H. F. No. 1654, A bill for an act relating to local planning and zoning; providing for the administration of land use controls; defining authority of local government units; providing for procedures and records; providing penalties; amending Minnesota Statutes 1988, section 473.858, subdivision 1; proposing coding for new law as Minnesota Statutes, chapter 465A; repealing Minnesota Statutes 1988, sections 394.21 to 394.37; and 462.351 to 462.364.

The bill was read for the first time and referred to the Committee on Local Government and Metropolitan Affairs.

Scheid and Vanasek introduced:

H. F. No. 1655, A bill for an act relating to official documents; requiring parties to supply social security numbers when filing papers in civil actions and instruments conveying an interest in real property; requiring the court administrator to enter the social security numbers on judgments; amending Minnesota Statutes 1988, sections 507.07; 507.09; 507.092; 507.14; and 507.15, subdivision 1; proposing coding for new law in Minnesota Statutes, chapters 544 and 548.

The bill was read for the first time and referred to the Committee on Judiciary.

Kostohryz introduced:

H. F. No. 1656, A bill for an act relating to retirement; St. Paul teachers retirement fund association; providing a benefit adjustment for certain St. Paul teachers with declining enrollment staff reduction demotions.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Ogren, Kalis and Rice introduced:

H. F. No. 1657, A bill for an act relating to agriculture; appropriating money for certifying farmers and food producers who grow food organically; appropriating money.

The bill was read for the first time and referred to the Committee on Agriculture.

Ogren introduced:

H. F. No. 1658, A bill for an act relating to health care; establishing an employee health care corporation to provide health coverage for uninsured workers; establishing eligibility requirements for coverage; requiring employers who do not offer subsidized health coverage to contribute to the fund; requiring a plan and report; appropriating money; proposing coding for new law in Minnesota Statutes, chapter 62E.

The bill was read for the first time and referred to the Committee on Health and Human Services.

Battaglia, Rice and Carlson, D., introduced:

H. F. No. 1659, A bill for an act relating to state lands; authorizing exchange of interests in land between department of transportation and regional rail authority of St. Louis and Lake counties.

The bill was read for the first time and referred to the Committee on Governmental Operations.

Tjornhom introduced:

H. F. No. 1660, A bill for an act relating to traffic regulations; requiring the commissioner of transportation to allow high-occupancy vehicles to use exclusive bus ramps on controlled-access trunk highways; proposing coding for new law in Minnesota Statutes, chapter 169.

The bill was read for the first time and referred to the Committee on Transportation.

Bishop, Krueger, Kelly and Kahn introduced:

H. F. No. 1661, A bill for an act relating to the legislature; establishing a legislative management information system to coordinate computer development in the legislature; proposing coding for new law in Minnesota Statutes, chapter 3.

The bill was read for the first time and referred to the Committee on Rules and Legislative Administration.

#### HOUSE ADVISORIES

The following House Advisory was introduced:

Johnson, R.; Munger; Carlson, D.; Marsh and Rukavina introduced:

H. A. No. 7, A proposal to study adequacy of arson and forestry laws in preventing forest fires.

The advisory was referred to the Committee on Environment and Natural Resources.

#### MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker:

I hereby announce that the Senate accedes to the request of the House for the appointment of a Conference Committee on the amendments adopted by the Senate to the following House File:

H. F. No. 95, A bill for an act relating to crime victims; clarifying certain criminal fine provisions; authorizing the deposit of unclaimed and abandoned restitution payments in the crime victim and witness account; increasing the maximum amount of reparations payable for funeral, burial, or cremation expenses; authorizing the payment of reparations under certain circumstances to Minnesota residents injured by crimes committed elsewhere; clarifying the authority of the reparations board to deny reparations on the basis of claimant's contributory misconduct; amending Minnesota Statutes 1988, sections 345.48, subdivision 1; 609.101, subdivision 2; 611A.52, subdivision 8; 611A.53, by adding a subdivision; and 611A.54.

The Senate has appointed as such committee:

Ms. Peterson, D. C.; Messrs. Moe, D. M., and Belanger.

Said House File is herewith returned to the House.

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. 702, A bill for an act relating to crime; expanding the crime of failure to appear for a criminal court appearance; specifying the attorney with jurisdiction to prosecute the crime; prescribing penalties; amending Minnesota Statutes 1988, section 609.49.

PATRICK E. FLAHAVEN, Secretary of the Senate

Wagenius moved that the House refuse to concur in the Senate amendments to H. F. No. 702, that the Speaker appoint a Conference Committee of 3 members of the House, and that the House requests that a like committee be appointed by the Senate to confer on the disagreeing votes of the two houses. The motion prevailed.

Mr. Speaker:

I hereby announce that the Senate refuses to concur in the House amendments to Senate File No. 227:

S. F. No. 227, A bill for an act relating to health; enacting the uniform determination of death act; proposing coding for new law in Minnesota Statutes, chapter 145.

The Senate respectfully requests that a Conference Committee be appointed thereon. The Senate has appointed as such committee:

Messrs. Dahl, Spear and Knaak.

Said Senate File is herewith transmitted to the House with the request that the House appoint a like committee.

PATRICK E. FLAHAVEN, Secretary of the Senate

Quinn moved that the House accede to the request of the Senate and that the Speaker appoint a Conference Committee of 3 members of the House to meet with a like committee appointed by the Senate on the disagreeing votes of the two houses on S. F. No. 227. The motion prevailed.

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate Files, herewith transmitted:

S. F. Nos. 778, 1080 and 936.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 778, A bill for an act relating to human services; authorizing general assistance medical care payments for patients in facilities determined to be institutions for mental diseases; creating an exception to negotiated rate facility limits for institutions for mental diseases; appropriating money.

The bill was read for the first time and referred to the Committee on Appropriations.

S. F. No. 1080, A bill for an act relating to state lands; conveying title to state land in St. Cloud.

The bill was read for the first time.

Marsh moved that S. F. No. 1080 and H. F. No. 1216, now on the Consent Calendar, be referred to the Chief Clerk for comparison. The motion prevailed.

S. F. No. 936, A bill for an act relating to state lands; authorizing exchange of state property with city of St. Cloud.

The bill was read for the first time and referred to the Committee on Governmental Operations.

### CONSENT CALENDAR

S. F. No. 699, A bill for an act relating to alcoholic beverages; authorizing Cook county to issue an off-sale liquor license.

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 124 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Gutknecht	Lieder	Osthoff	Segal
Anderson, G.	Hartle	Limmer	Ostrom	Simoneau
Battaglia	Hasskamp	Long	Otis	Skoglund
Bauerly	Haukoos	Lynch	Pappas	Solberg
Beard	Heap	Macklin	Pauly	Sparby
Begich	Henry	Marsh	Pellow	Stanius
Bennett	Himle	McDonald	Pelowski	Steensma
Bertram	Hugoson	McEachern	Peterson	Sviggum
Bishop	Jacobs	McGuire	Popenhagen	Swenson
Blatz	Janezich	McPherson	Price	Tjornhom
Boo	Jaros	Milbert	Pugh	Tompkins
Brown	Jefferson	Miller	Quinn	Trimble
Burger	Jennings	Morrison	Redalen	Tunheim
Carlson, D.	Johnson, A.	Munger	Reding	Uphus
Carlson, L.	Johnson, R.	Murphy	Rest	Valento
Conway	Johnson, V.	Nelson, C.	Rice	Wagenius
Cooper	Kahn	Neuenschwander	Richter	Waltman
Dauner	Kalis	O'Connor	Rodosovich	Weaver
Dawkins	Kelly	Ogren	Rukavina	Welle
Dorn	Kelso	Olsen, S.	Runbeck	Wenzel
Forsythe	Kinkel	Olson, E.	Sarna	Williams
Frederick	Knickerbocker	Olson, K.	Schafer	Winter
Frerichs	Kostohryz	Omman	Scheid	Wynia
Girard	Krueger	Onnen	Schreiber	Spk. Vanasek
Gruenes	Lasley	Orenstein	Seaberg	

The bill was passed and its title agreed to.

S. F. No. 112, A bill for an act relating to vocational rehabilitation; changing term "extended employment plan participants" to "workers"; amending Minnesota Statutes 1988, section 129A.08, subdivision 4.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Girard	Lasley	Orenstein	Seaberg
Anderson, G.	Gruenes	Lieder	Osthoff	Segal
Anderson, R.	Gutknecht	Limmer	Ostrom	Simoneau
Battaglia	Hartle	Long	Otis	Skoglund
Bauerly	Hasskamp	Lynch	Ozment	Solberg
Beard	Haukoos	Macklin	Pappas	Sparby
Begich	Heap	Marsh	Pauly	Stanius
Bennett	Henry	McDonald	Pellow	Steenma
Bertram	Himle	McEachern	Pelowski	Swigum
Bishop	Hugoson	McGuire	Peterson	Swenson
Blatz	Jacobs	McPherson	Poppenhagen	Tjornhom
Boo	Janezich	Milbert	Price	Tompkins
Brown	Jaros	Miller	Pugh	Trimble
Burger	Jefferson	Morrison	Quinn	Tunheim
Carlson, D.	Jennings	Munger	Redalen	Uphus
Carlson, L.	Johnson, A.	Murphy	Reding	Valento
Carruthers	Johnson, R.	Nelson, C.	Rest	Vellenga
Conway	Johnson, V.	Nelson, K.	Rice	Wagenius
Cooper	Kahn	Neuenschwander	Richter	Waltman
Dauner	Kalis	O'Connor	Rodosovich	Weaver
Dawkins	Kelly	Ogren	Rukavina	Welle
Dempsey	Kelso	Olsen, S.	Runbeck	Wenzel
Dorn	Kinkel	Olson, E.	Sarna	Williams
Forsythe	Knickerbocker	Olson, K.	Schafer	Winter
Frederick	Kostohryz	Omam	Scheid	Wynia
Frerichs	Krueger	Onnen	Schreiber	Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 895, A bill for an act relating to state lands; authorizing the commissioner of transportation to convey certain surplus property to Stevens county for other than public purposes; authorizing the county to sell the property for other than public purposes through a public sale.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Krueger	Onnen	Schreiber
Anderson, G.	Girard	Lasley	Orenstein	Seaberg
Anderson, R.	Gruenes	Lieder	Osthoff	Segal
Battaglia	Gutknecht	Limmer	Ostrom	Simoneau
Bauerly	Hartle	Long	Otis	Skoglund
Beard	Hasskamp	Lynch	Ozment	Solberg
Begich	Haukoos	Macklin	Pappas	Sparby
Bennett	Heap	Marsh	Pauly	Stanius
Bertram	Henry	McDonald	Pellow	Steensma
Bishop	Himle	McEachern	Pelowski	Svigum
Blatz	Hugoson	McGuire	Peterson	Swenson
Boo	Jacobs	McLaughlin	Poppenhagen	Tjornhom
Brown	Janezich	Milbert	Price	Tompkins
Burger	Jaros	Miller	Pugh	Trimble
Carlson, D.	Jefferson	Morrison	Quinn	Tunheim
Carlson, L.	Jennings	Munger	Redalen	Uphus
Carruthers	Johnson, A.	Murphy	Reding	Valento
Clark	Johnson, R.	Nelson, C.	Rest	Vellenga
Conway	Johnson, V.	Nelson, K.	Rice	Wagenius
Cooper	Kahn	Neuenschwander	Richter	Waltman
Dauner	Kalis	O'Connor	Rodosovich	Weaver
Dawkins	Kelly	Ogren	Rukavina	Welle
Dempsey	Kelso	Olsen, S.	Runbeck	Wenzel
Dorn	Kinkel	Olson, E.	Sarna	Winter
Forsythe	Knickerbocker	Olson, K.	Schafer	Wynia
Frederick	Kostohryz	Omann	Scheid	Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 1287, A bill for an act relating to commerce; securities; exempting nonissuer sales of securities issued by the state, its subdivisions, or instrumentalities from regulation; amending Minnesota Statutes 1988, section 80A.15, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Conway	Henry	Knickerbocker	Miller
Anderson, G.	Cooper	Himle	Kostohryz	Morrison
Anderson, R.	Dauner	Hugoson	Krueger	Munger
Battaglia	Dawkins	Jacobs	Lasley	Murphy
Bauerly	Dempsey	Janezich	Lieder	Nelson, C.
Beard	Dorn	Jaros	Limmer	Nelson, K.
Begich	Forsythe	Jefferson	Long	Neuenschwander
Bennett	Frederick	Jennings	Lynch	O'Connor
Bertram	Frerichs	Johnson, A.	Macklin	Ogren
Bishop	Girard	Johnson, R.	Marsh	Olsen, S.
Blatz	Gruenes	Johnson, V.	McDonald	Olson, E.
Burger	Gutknecht	Kahn	McEachern	Olson, K.
Carlson, D.	Hartle	Kalis	McGuire	Omann
Carlson, L.	Hasskamp	Kelly	McLaughlin	Onnen
Carruthers	Haukoos	Kelso	McPherson	Orenstein
Clark	Heap	Kinkel	Milbert	Osthoff

Ostrom	Pugh	Sarna	Stanius	Vellenga
Otis	Quinn	Schafer	Steensma	Wagenius
Ozment	Redalen	Scheid	Sviggum	Waltman
Pappas	Reding	Schreiber	Swenson	Weaver
Pauly	Rest	Seaberg	Tjornhom	Welle
Pellow	Rice	Segal	Tompkins	Wenzel
Pelowski	Richter	Simoneau	Trimble	Williams
Peterson	Rodosovich	Skoglund	Tunheim	Winter
Poppenhagen	Rukavina	Solberg	Uphus	Wynia
Price	Runbeck	Sparby	Valento	Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 1447, A bill for an act relating to motor vehicles; defining the effect of certain leases; amending Minnesota Statutes 1988, section 168A.17, 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	Girard	Lieder	Osthoff	Simoneau
Anderson, G.	Gruenes	Limmer	Ostrom	Skoglund
Anderson, R.	Gutknecht	Long	Otis	Solberg
Battaglia	Hartle	Lynch	Ozment	Sparby
Bauerly	Hasskamp	Macklin	Pappas	Stanius
Beard	Haukoos	Marsh	Pauly	Steensma
Begich	Heap	McDonald	Pellow	Sviggum
Bennett	Henry	McEachern	Pelowski	Swenson
Bertram	Himle	McGuire	Peterson	Tjornhom
Bishop	Hugoson	McLaughlin	Poppenhagen	Tompkins
Blatz	Jacobs	McPherson	Price	Trimble
Boo	Janezich	Milbert	Pugh	Tunheim
Brown	Jaros	Miller	Quinn	Uphus
Burger	Jefferson	Morrison	Redalen	Valento
Carlson, D.	Jennings	Munger	Reding	Vellenga
Carlson, L.	Johnson, A.	Murphy	Rest	Wagenius
Carruthers	Johnson, R.	Nelson, C.	Rice	Waltman
Clark	Johnson, V.	Nelson, K.	Richter	Weaver
Conway	Kahn	Neuenschwander	Rodosovich	Welle
Cooper	Kalis	O'Connor	Rukavina	Wenzel
Dauner	Kelly	Ogren	Runbeck	Williams
Dawkins	Kelso	Olsen, S.	Sarna	Winter
Dempsey	Kinkel	Olson, E.	Schafer	Wynia
Dorn	Knickerbocker	Olson, K.	Scheid	Spk. Vanasek
Forsythe	Kostohryz	Omann	Schreiber	
Frederick	Krueger	Onnen	Seaberg	
Frerichs	Lasley	Orenstein	Segal	

The bill was passed and its title agreed to.

H. F. No. 1517, A bill for an act relating to local government; authorizing the city of St. Louis Park to change the name of the housing and redevelopment authority; permitting the recording of certain deeds.

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	Girard	Lieder	Osthoff	Simoneau
Anderson, G.	Gruenes	Limmer	Ostrom	Skoglund
Anderson, R.	Gutknecht	Long	Otis	Solberg
Battaglia	Hartle	Lynch	Ozment	Sparby
Bauerly	Hasskamp	Macklin	Pappas	Stanius
Beard	Haukoos	Marsh	Pauly	Steensma
Begich	Heap	McDonald	Pellow	Sviggum
Bennett	Henry	McEachern	Pelowski	Swenson
Bertram	Himle	McGuire	Peterson	Tjornhom
Bishop	Hugoson	McLaughlin	Poppenhagen	Tompkins
Blatz	Jacobs	McPherson	Price	Trimble
Boo	Janezich	Milbert	Pugh	Tunheim
Brown	Jaros	Miller	Quinn	Uphus
Burger	Jefferson	Morrison	Redalen	Valento
Carlson, D.	Jennings	Munger	Reding	Vellenga
Carlson, L.	Johnson, A.	Murphy	Rest	Wagenius
Carruthers	Johnson, R.	Nelson, C.	Rice	Waltman
Clark	Johnson, V.	Nelson, K.	Richter	Weaver
Conway	Kahn	Neuenschwander	Rodosovich	Welle
Cooper	Kalis	O'Connor	Rukavina	Wenzel
Dauner	Kelly	Ogren	Runbeck	Williams
Dawkins	Kelso	Olsen, S.	Sarna	Winter
Dempsey	Kinkel	Olson, E.	Schafer	Wynia
Dorn	Knickerbocker	Olson, K.	Scheid	Spk. Vanasek
Forsythe	Kostohryz	Omann	Schreiber	
Frederick	Krueger	Onnen	Seaberg	
Frerichs	Lasley	Orenstein	Segal	

The bill was passed and its title agreed to.

S. F. No. 390 was reported to the House.

There being no objection, S. F. No. 390 was temporarily laid over on the Consent Calendar.

## CALENDAR

H. F. No. 593, A bill for an act relating to occupations and professions; providing for a uniform electrical violation ticket; proposing coding for new law in Minnesota Statutes, chapter 326.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Krueger	Omann	Schreiber
Anderson, G.	Girard	Lasley	Onnen	Seaberg
Anderson, R.	Gruenes	Lieder	Orenstein	Segal
Battaglia	Gutknecht	Limmer	Ostrom	Simoneau
Bauerly	Hartle	Long	Otis	Skoglund
Beard	Hasskamp	Lynch	Ozment	Solberg
Begich	Haukoos	Macklin	Pappas	Sparby
Bennett	Heap	Marsh	Pauly	Stanius
Bertram	Henry	McDonald	Pellow	Steensma
Bishop	Himle	McEachern	Pelowski	Sviggum
Blatz	Hugoson	McGuire	Peterson	Swenson
Boo	Jacobs	McLaughlin	Poppenhagen	Tjornhom
Brown	Janezich	McPherson	Price	Tompkins
Burger	Jaros	Milbert	Pugh	Trimble
Carlson, D.	Jefferson	Miller	Quinn	Tunheim
Carlson, L.	Jennings	Morrison	Redalen	Uphus
Carruthers	Johnson, A.	Munger	Reding	Valento
Clark	Johnson, R.	Murphy	Rest	Vellenga
Conway	Johnson, V.	Nelson, C.	Rice	Wagenius
Cooper	Kahn	Nelson, K.	Richter	Waltman
Dauner	Kalis	Neuenschwander	Rodosovich	Weaver
Dawkins	Kelly	O'Connor	Rukavina	Welle
Dempsey	Kelso	Ogren	Runbeck	Wenzel
Dorn	Kinkel	Olsen, S.	Sarna	Williams
Forsythe	Knickerbocker	Olson, E.	Schafer	Winter
Frederick	Kostohryz	Olson, K.	Scheid	Wynia

The bill was passed and its title agreed to.

H. F. No. 956, A bill for an act relating to insurance; clarifying the calculation of underinsured motorist benefits; amending Minnesota Statutes 1988, section 65B.49, subdivisions 3a and 4a.

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.

Pursuant to rule 2.5, Himle requested that he be excused from voting on H. F. No. 956. The request was granted.

There were 95 yeas and 30 nays as follows:

Those who voted in the affirmative were:

Abrams	Boo	Dawkins	Jacobs	Knickerbocker
Anderson, G.	Brown	Dempsey	Janezich	Krueger
Anderson, R.	Burger	Dille	Jaros	Lasley
Battaglia	Carlson, D.	Dorn	Jefferson	Lieder
Bauerly	Carlson, L.	Frederick	Johnson, A.	Lynch
Beard	Carruthers	Gruenes	Johnson, R.	Macklin
Begich	Clark	Gutknecht	Kahn	Marsh
Bennett	Conway	Hasskamp	Kalis	McEachern
Bertram	Cooper	Haukoos	Kelly	McGuire
Blatz	Dauner	Henry	Kinkel	McPherson

Milbert	Olson, E.	Peterson	Scheid	Uphus
Miller	Olson, K.	Price	Segal	Wagenius
Morrison	Omann	Pugh	Skoglund	Weaver
Munger	Orenstein	Quinn	Solberg	Welle
Murphy	Ostrom	Rest	Sparby	Wenzel
Nelson, C.	Otis	Rodosovich	Steensma	Williams
O'Connor	Ozment	Rukavina	Swenson	Winter
Ogren	Pappas	Runbeck	Trimble	Wynia
Olsen, S.	Pelowski	Sarna	Tunheim	Spk. Vanasek

Those who voted in the negative were:

Forsythe	Jennings	Neuenschwander	Reding	Stanius
Frerichs	Johnson, V.	Onnen	Richter	Sviglum
Girard	Kelso	Pauly	Schafer	Tjornhom
Hartle	Kostohryz	Pellow	Schreiber	Tompkins
Heap	Limmer	Poppenhagen	Seaberg	Valento
Hugoson	McDonald	Redalen	Simoneau	Waltman

The bill was passed and its title agreed to.

There being no objection, the order of business reverted to Messages from the Senate.

### MESSAGES FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker:

I hereby announce the passage by the Senate of the following Senate File, herewith transmitted:

S. F. No. 1444.

PATRICK E. FLAHAVEN, Secretary of the Senate

### FIRST READING OF SENATE BILLS

S. F. No. 1444, A bill for an act relating to appropriations; providing emergency relief for Red River Valley area flooding.

The bill was read for the first time.

### SUSPENSION OF RULES

Pursuant to Article IV, Section 19, of the Constitution of the state of Minnesota, Lieder moved that the rule therein be suspended and

an urgency be declared so that S. F. No. 1444 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Lieder moved that the Rules of the House be so far suspended that S. F. No. 1444 be given its second and third readings and be placed upon its final passage. The motion prevailed.

S. F. No. 1444 was read for the second time.

Anderson, G., and Schreiber moved to amend S. F. No. 1444, as follows:

Page 1, after line 9, insert:

“Sec. 2. [ARBITRATION AWARD.]

\$3,799,000 is appropriated from the state building fund to the commissioner of administration to pay the state office building arbitration award.

Sec. 3. [BOND SALE.]

To provide the money appropriated by section 2 from the state building fund the commissioner of finance on request of the governor shall sell and issue bonds of the state in an amount up to \$3,799,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.”

Page 1, line 11, delete “Section 1 is” and insert “Sections 1 to 3 are”

Amend the title as follows:

Page 1, line 3, after “flooding” insert “; providing for an arbitration award”

The question was taken on the Anderson, G., and Schreiber amendment and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Bennett	Carlson, D.	Dawkins	Girard
Anderson, G.	Bertram	Carlson, L.	Dempsey	Greenfield
Anderson, R.	Bishop	Carruthers	Dille	Gruenes
Battaglia	Blatz	Clark	Dorn	Gutknecht
Bauerly	Boo	Conway	Forsythe	Hartle
Beard	Brown	Cooper	Frederick	Hasskamp
Begich	Burger	Dauner	Frerichs	Haukoos

Heap	Lasley	Ogren	Redalen	Sviggum
Henry	Lieder	Olsen, S.	Reding	Swenson
Himle	Limmer	Olson, E.	Rest	Tjornhom
Hugoson	Long	Olson, K.	Rice	Tompkins
Jacobs	Lynch	Omann	Richter	Trimble
Janezich	Macklin	Onnen	Rodosovich	Tunheim
Jaros	Marsh	Orenstein	Rukavina	Uphus
Jefferson	McDonald	Osthoff	Runbeck	Valento
Jennings	McEachern	Ostrom	Sarna	Vellenga
Johnson, A.	McGuire	Otis	Schafer	Wagenius
Johnson, R.	McLaughlin	Ozment	Scheid	Waltman
Johnson, V.	McPherson	Pappas	Schreiber	Weaver
Kahn	Milbert	Pauly	Seaberg	Welle
Kalis	Miller	Pellow	Segal	Wenzel
Kelly	Morrison	Pelowski	Simoneau	Williams
Kelso	Munger	Peterson	Skoglund	Winter
Kinkel	Murphy	Poppenhagen	Solberg	Wynia
Knickerbocker	Nelson, K.	Price	Sparby	Spk. Vanasek
Kostohryz	Neuenschwander	Pugh	Stanisus	
Krueger	O'Connor	Quinn	Steensma	

The motion prevailed and the amendment was adopted.

Nelson, K., was excused for the remainder of today's session.

S. F. No. 1444, A bill for an act relating to appropriations; providing emergency relief for Red River Valley area flooding.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 133 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dorn	Kalis	Nelson, C.	Reding
Anderson, G.	Forsythe	Kelly	Neuenschwander	Rest
Anderson, R.	Frederick	Kelso	O'Connor	Rice
Battaglia	Frerichs	Kinkel	Ogren	Richter
Bauerly	Girard	Knickerbocker	Olsen, S.	Rodosovich
Beard	Greenfield	Kostohryz	Olson, E.	Rukavina
Begich	Gruenes	Krueger	Olson, K.	Runbeck
Bennett	Gutknecht	Lasley	Omann	Sarna
Bertram	Hartle	Lieder	Onnen	Schafer
Bishop	Hasskamp	Limmer	Orenstein	Scheid
Blatz	Haukoos	Long	Osthoff	Schreiber
Boo	Heap	Lynch	Ostrom	Seaberg
Brown	Henry	Macklin	Otis	Segal
Burger	Himle	Marsh	Ozment	Simoneau
Carlson, D.	Hugoson	McDonald	Pappas	Skoglund
Carlson, L.	Jacobs	McEachern	Pauly	Solberg
Carruthers	Janezich	McGuire	Pellow	Sparby
Clark	Jaros	McLaughlin	Pelowski	Stanisus
Conway	Jefferson	McPherson	Peterson	Steensma
Cooper	Jennings	Milbert	Poppenhagen	Sviggum
Dauner	Johnson, A.	Miller	Price	Swenson
Dawkins	Johnson, R.	Morrison	Pugh	Tjornhom
Dempsey	Johnson, V.	Munger	Quinn	Tompkins
Dille	Kahn	Murphy	Redalen	Trimble

Tunheim	Vellenga	Weaver	Williams	Spk. Vanasek
Uphus	Wagenius	Welle	Winter	
Valento	Waltman	Wenzel	Wynia	

The bill was passed, as amended, and its title agreed to.

### CALENDAR

H. F. No. 989, A bill for an act relating to trade practices; providing for payment to farm implement retailer by the manufacturer, wholesaler, or distributor who repurchases stock and inventory; amending Minnesota Statutes 1988, section 325E.06, subdivisions 1, 4, and 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 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Krueger	Orenstein	Seaberg
Anderson, G.	Frerichs	Lieder	Osthoff	Segal
Anderson, R.	Girard	Limmer	Ostrom	Simoneau
Battaglia	Greenfield	Long	Otis	Skoglund
Bauerly	Gruenes	Lynch	Ozment	Solberg
Beard	Gutknecht	Macklin	Pappas	Sparby
Begich	Hartle	Marsh	Pauly	Stanius
Bennett	Hasskamp	McDonald	Pellow	Steensma
Bertram	Haukoos	McEachern	Pelowski	Sviggum
Bishop	Heap	McGuire	Peterson	Swenson
Blatz	Henry	McLaughlin	Poppenhagen	Tjornhom
Boo	Himle	McPherson	Price	Tompkins
Brown	Hugoson	Milbert	Pugh	Trimble
Burger	Jacobs	Miller	Quinn	Tunheim
Carlson, D.	Janezich	Morrison	Redalen	Uphus
Carlson, L.	Jefferson	Munger	Reding	Valento
Carruthers	Jennings	Murphy	Rest	Vellenga
Clark	Johnson, A.	Nelson, C.	Rice	Wagenius
Conway	Johnson, R.	Neuenschwander	Richter	Waltman
Cooper	Johnson, V.	O'Connor	Rodosovich	Weaver
Dauner	Kahn	Ogren	Rukavina	Welle
Dawkins	Kalis	Olsen, S.	Runbeck	Wenzel
Dempsey	Kelly	Olson, E.	Sarna	Williams
Dille	Kelso	Olson, K.	Schafer	Winter
Dorn	Kinkel	Omann	Scheid	Wynia
Forsythe	Knickerbocker	Onnen	Schreiber	Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 1014, A bill for an act relating to mechanics' liens; allowing owner to request statement of actual charges; requiring subcontractor to make good faith estimate of charges; amending Minnesota Statutes 1988, section 514.011, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 132 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Lasley	Osthoff	Simoneau
Anderson, G.	Girard	Lieder	Ostrom	Skoglund
Anderson, R.	Greenfield	Limmer	Otis	Solberg
Battaglia	Gruenes	Long	Ozment	Sparby
Bauerly	Gutknecht	Lynch	Pappas	Stanius
Beard	Hartle	Macklin	Pauly	Steensma
Begich	Hasskamp	Marsh	Pellow	Sviggum
Bennett	Haukoos	McDonald	Pelowski	Swenson
Bertram	Heap	McEachern	Peterson	Tjornhom
Bishop	Henry	McGuire	Poppenhagen	Tompkins
Blatz	Himle	McLaughlin	Price	Trimble
Boo	Hugoson	McPherson	Pugh	Tunheim
Brown	Jacobs	Milbert	Quinn	Uphus
Burger	Janezich	Miller	Redalen	Valento
Carlson, D.	Jaros	Morrison	Reding	Vellenga
Carlson, L.	Jefferson	Munger	Rest	Wagenius
Carruthers	Jennings	Murphy	Rice	Waltman
Clark	Johnson, A.	Nelson, C.	Richter	Weaver
Conway	Johnson, R.	Neuenschwander	Rodosovich	Welle
Cooper	Johnson, V.	O'Connor	Rukavina	Wenzel
Dauner	Kalis	Ogren	Runbeck	Williams
Dawkins	Kelly	Olsen, S.	Sarna	Winter
Dempsey	Kelso	Olson, E.	Schafer	Wynia
Dille	Kinkel	Olson, K.	Scheid	Spk. Vanasek
Dorn	Knickerbocker	Omann	Schreiber	
Forsythe	Kostohryz	Onnen	Seaberg	
Frederick	Krueger	Orenstein	Segal	

The bill was passed and its title agreed to.

S. F. No. 916, A bill for an act relating to consumer protection; regulating landscape application contracts; providing penalties and remedies; proposing coding for new law in Minnesota Statutes, chapter 325F.

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 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Bennett	Carlson, D.	Dawkins	Greenfield
Anderson, G.	Bertram	Carlson, L.	Dempsey	Gruenes
Anderson, R.	Bishop	Carruthers	Dille	Gutknecht
Battaglia	Blatz	Clark	Dorn	Hartle
Bauerly	Boo	Conway	Forsythe	Hasskamp
Beard	Brown	Cooper	Frederick	Haukoos
Begich	Burger	Dauner	Girard	Heap

Henry	Lieder	Ogren	Quinn	Stanius
Himle	Limmer	Olsen, S.	Redalen	Steensma
Hugoson	Long	Olson, E.	Reding	Sviggum
Jacobs	Lynch	Olson, K.	Rest	Swenson
Janezich	Macklin	Omann	Rice	Tjornhom
Jaros	Marsh	Onnen	Richter	Tompkins
Jefferson	McDonald	Orenstein	Rodosovich	Trimble
Jennings	McEachern	Osthoff	Rukavina	Tunheim
Johnson, A.	McGuire	Ostrom	Runbeck	Uphus
Johnson, R.	McLaughlin	Otis	Sarna	Valento
Johnson, V.	McPherson	Ozment	Schafer	Vellenga
Kalis	Milbert	Pappas	Scheid	Wagenius
Kelly	Miller	Pauly	Schreiber	Waltran
Kelso	Morrison	Pellow	Seaberg	Weaver
Kinkel	Munger	Pelowski	Segal	Welle
Knickerbocker	Murphy	Peterson	Simoneau	Wenzel
Kostohryz	Nelson, C.	Poppenhagen	Skoglund	Williams
Krueger	Neuenschwander	Price	Solberg	Winter
Lasley	O'Connor	Pugh	Sparby	Wynia
				Spk. Vanasek

Those who voted in the negative were:

Frerichs

The bill was passed and its title agreed to.

H. F. No. 1117, A bill for an act relating to occupations and professions; regulating the practice of accountancy; creating standards of care; amending Minnesota Statutes 1988, sections 326.165; 326.20, subdivision 1; 326.211, subdivision 6; and 326.212, by adding a subdivision; proposing coding for new law in Minnesota Statutes, chapter 326.

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	Clark	Haukoos	Knickerbocker	Munger
Anderson, G.	Conway	Heap	Kostohryz	Murphy
Anderson, R.	Cooper	Henry	Krueger	Nelson, C.
Battaglia	Dauner	Himle	Lasley	Neuenschwander
Bauerly	Dawkins	Hugoson	Lieder	O'Connor
Beard	Dempsey	Jacobs	Limmer	Ogren
Begich	Dille	Janezich	Long	Olsen, S.
Bennett	Dorn	Jaros	Lynch	Olson, E.
Bertram	Forsythe	Jefferson	Macklin	Olson, K.
Bishop	Frederick	Jennings	Marsh	Omann
Blatz	Frerichs	Johnson, A.	McDonald	Onnen
Boo	Girard	Johnson, R.	McEachern	Orenstein
Brown	Greenfield	Johnson, V.	McGuire	Osthoff
Burger	Gruenes	Kalis	McPherson	Ostrom
Carlson, D.	Gutknecht	Kelly	Milbert	Otis
Carlson, L.	Hartle	Kelso	Miller	Ozment
Carruthers	Hasskamp	Kinkel	Morrison	Pappas

Pauly	Reding	Schreiber	Swiggum	Wagenius
Pellow	Rest	Seaberg	Swenson	Waltman
Pelowski	Richter	Segal	Tjornhom	Weaver
Peterson	Rodosovich	Simoneau	Tompkins	Welle
Poppenhagen	Rukavina	Skoglund	Trimble	Wenzel
Price	Runbeck	Solberg	Tunheim	Williams
Pugh	Sarna	Sparby	Uphus	Winter
Quinn	Schafer	Stanius	Valento	Spk. Vanasek
Redalen	Scheid	Steensma	Vellenga	

The bill was passed and its title agreed to.

H. F. No. 1155, A bill for an act relating to insurance; life and health; regulating policy and contract provisions, coverages, certain cost-containment mechanisms, cancellations and nonrenewals, trade and marketing practices, and remedies in these and other lines; making technical changes; amending Minnesota Statutes 1988, sections 45.025, subdivision 8; 45.027, subdivision 7; 45.028, subdivision 1; 61A.011, subdivision 1; 61A.092, subdivision 3; 61B.03, subdivision 6; 62A.01; 62A.041; 62A.08; 62A.09; 62A.15, subdivision 3a; 62A.17, subdivision 2; 62A.46, by adding a subdivision; 62A.48, subdivision 1; 62B.01; 62B.04, subdivision 1; 62D.12, by adding a subdivision; 62E.06, subdivision 1; 72A.20, subdivision 15, and by adding subdivisions; 72A.325; and 149.11; proposing coding for new law in Minnesota Statutes, chapters 60A; 62A; 65A; and 72A; repealing Minnesota Statutes 1988, sections 60A.23, subdivision 7; and 72A.13, subdivision 2.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Dawkins	Jefferson	McPherson	Pauly
Anderson, G.	Dempsey	Jennings	Milbert	Pellow
Anderson, R.	Dille	Johnson, A.	Miller	Pelowski
Battaglia	Dorn	Johnson, R.	Morrison	Peterson
Bauerly	Forsythe	Johnson, V.	Munger	Poppenhagen
Beard	Frederick	Kalis	Murphy	Price
Begich	Frerichs	Kelso	Nelson, C.	Pugh
Bennett	Girard	Kinkel	Neuenschwander	Quinn
Bertram	Greenfield	Knickerbocker	O'Connor	Redalen
Bishop	Gruenes	Kostohryz	Ogren	Reding
Blatz	Gutknecht	Krueger	Olsen, S.	Rest
Boo	Hartle	Lasley	Olson, E.	Rice
Brown	Hasskamp	Lieder	Olson, K.	Richter
Burger	Haukoos	Limmer	Omann	Rodosovich
Carlson, D.	Heap	Long	Onnen	Rukavina
Carlson, L.	Henry	Lynch	Orenstein	Runbeck
Carruthers	Himle	Macklin	Osthoff	Sarna
Clark	Hugoson	Marsh	Ostrom	Schafer
Conway	Jacobs	McDonald	Otis	Scheid
Cooper	Janezich	McEachern	Ozment	Schreiber
Dauner	Jaros	McGuire	Pappas	Seaberg

Segal	Stanius	Tompkins	Vellenga	Wenzel
Simoneau	Steensma	Trimble	Wagemius	Williams
Skoglund	Sviggum	Tunheim	Waltman	Winter
Solberg	Swenson	Uphus	Weaver	Wynia
Sparby	Tjornhom	Valento	Welle	Spk. Vanasek

The bill was passed and its title agreed to.

H. F. No. 269 was reported to the House and given its third reading.

Carruthers moved that H. F. No. 269 be continued on the Calendar. The motion prevailed.

S. F. No. 382, A bill for an act relating to animals; clarifying regulations pertaining to dangerous dogs; granting certain powers to animal control officers; prohibiting local ordinances that define specific breeds of dogs as dangerous; amending Minnesota Statutes 1988, sections 343.20, by adding a subdivision; 343.29, subdivision 1; 347.50, subdivisions 4, 5, and by adding a subdivision; 347.51, subdivisions 5 and 6, and by adding subdivisions; 347.53; 347.54; and 609.226, 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 129 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kostohryz	Ommen	Seaberg
Anderson, G.	Frerichs	Krueger	Orenstein	Segal
Anderson, R.	Girard	Lasley	Osthoff	Simoneau
Battaglia	Greenfield	Lieder	Ostrom	Skoglund
Bauerly	Gruenes	Limmer	Otis	Solberg
Beard	Gutknecht	Long	Ozment	Sparby
Begich	Hartle	Lynch	Pauly	Stanius
Bennett	Hasskamp	Macklin	Pellow	Steensma
Bertram	Haukoos	Marsh	Pelowski	Sviggum
Bishop	Heap	McDonald	Peterson	Swenson
Blatz	Henry	McEachern	Poppenhagen	Tjornhom
Boo	Himle	McGuire	Price	Tompkins
Brown	Hugoson	McPherson	Pugh	Tunheim
Burger	Jacobs	Milbert	Quinn	Uphus
Carlson, D.	Janezich	Miller	Redalen	Valento
Carlson, L.	Jaros	Morrison	Reding	Vellenga
Carruthers	Jefferson	Munger	Rest	Wagenius
Clark	Jennings	Murphy	Rice	Waltman
Conway	Johnson, A.	Nelson, C.	Richter	Weaver
Cooper	Johnson, R.	Neuenschwander	Rodosovich	Welle
Dauner	Johnson, V.	O'Connor	Rukavina	Wenzel
Dawkins	Kahn	Ogren	Runbeck	Williams
Dempsey	Kalis	Olsen, S.	Sarna	Winter
Dille	Kelso	Olson, E.	Schafer	Wynia
Dorn	Kinkel	Olson, K.	Scheid	Spk. Vanasek
Forsythe	Knickerbocker	Omann	Schreiber	

The bill was passed and its title agreed to.

H. F. No. 627, A bill for an act relating to motor carriers; exempting rear-end dump trucks operated by private agricultural carriers between point of production and point of processing from requirements for rear-end protection; amending Minnesota Statutes 1988, section 221.031, subdivision 2a.

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 1 nay as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kostohryz	Onnen	Segal
Anderson, G.	Frerichs	Krueger	Orenstein	Simoneau
Anderson, R.	Girard	Lasley	Ostrom	Skoglund
Battaglia	Greenfield	Lieder	Otis	Solberg
Bauerly	Gruenes	Limmer	Ozment	Sparby
Beard	Gutknecht	Long	Pappas	Stanius
Begich	Hartle	Lynch	Pauly	Steensma
Bennett	Haskamp	Macklin	Pellow	Sviggum
Bertram	Haukoos	Marsh	Pelowski	Swenson
Bishop	Heap	McDonald	Peterson	Tjornhoim
Blatz	Henry	McEachern	Poppenhagen	Tompkins
Boo	Himle	McGuire	Price	Trimble
Brown	Hugoson	McPherson	Pugh	Tunheim
Burger	Jacobs	Milbert	Quinn	Uphus
Carlson, D.	Janezich	Miller	Redalen	Valento
Carlson, L.	Jaros	Morrison	Reding	Vellenga
Carruthers	Jefferson	Munger	Rest	Wagenius
Clark	Jennings	Murphy	Rice	Waltman
Conway	Johnson, A.	Nelson, C.	Richter	Weaver
Cooper	Johnson, R.	Neuenschwander	Rodosovich	Welle
Dauner	Johnson, V.	O'Connor	Rukavina	Wenzel
Dawkins	Kalis	Ogren	Runbeck	Williams
Dempsey	Kelly	Olsen, S.	Sarna	Winter
Dille	Kelso	Olsen, E.	Schafer	Wynia
Dorn	Kinkel	Olson, K.	Scheid	Spk. Vanasek
Forsythe	Knickerbocker	Omann	Schreiber	

Those who voted in the negative were:

Seaberg

The bill was passed and its title agreed to.

H. F. No. 736 was reported to the House and given its third reading.

Ostrom moved that H. F. No. 736 be continued on the Calendar until Monday, April 17, 1989. The motion prevailed.

H. F. No. 945, A bill for an act relating to public employment;

modifying the prohibition against bargaining certain retirement contributions; amending Minnesota Statutes 1988, sections 179A.03, subdivision 19; 356.24; and 471.616, subdivision 1.

The bill was read for the third time and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams	Frederick	Kostohryz	Omänn	Scheid
Anderson, G.	Frerichs	Krueger	Onnen	Schreiber
Anderson, R.	Girard	Lasley	Orenstein	Seaberg
Battaglia	Greenfield	Lieder	Osthoff	Segal
Bauerly	Gruenes	Limmer	Oström	Simoneau
Beard	Gutknecht	Long	Otis	Skoglund
Begich	Hartle	Lynch	Ozment	Solberg
Bennett	Hasskamp	Macklin	Pappas	Sparby
Bertram	Haukoos	Marsh	Pauly	Stanius
Bishop	Heap	McDonald	Pellow	Steensma
Blatz	Henry	McEachern	Pelowski	Sviggrum
Boo	Hugoson	McGuire	Peterson	Swenson
Brown	Jacobs	McLaughlin	Poppenhagen	Tjornhom
Burger	Janezich	McPherson	Price	Tompkins
Carlson, D.	Jaros	Milbert	Pugh	Trimble
Carlson, L.	Jefferson	Miller	Quinn	Tunheim
Carruthers	Jennings	Morrison	Redalen	Uphus
Clark	Johnson, A.	Munger	Reding	Valento
Conway	Johnson, R.	Murphy	Rest	Vellenga
Cooper	Johnson, V.	Nelson, C.	Rice	Wagenius
Dauner	Kahn	Neuenschwander	Richter	Waltman
Dawkins	Kalis	O'Connor	Rodosovich	Welle
Dempsey	Kelly	Ogren	Rukavina	Wenzel
Dille	Kelso	Olsen, S.	Rumbeck	Williams
Dorn	Kinkel	Olson, E.	Sarna	Winter
Forsythe	Knickerbocker	Olson, K.	Schafer	Wynia

The bill was passed and its title agreed to.

H. F. No. 951, A bill for an act relating to utilities; providing for the establishment of competitive electric utility rates for certain customers subject to effective competition; authorizing public utilities commission to require utility to initiate rate proceeding under limited circumstances; removing repealer of laws providing for establishment of flexible gas utility rates for certain customers subject to effective competition; amending Minnesota Statutes 1988, sections 216B.045, subdivision 5; and 216B.17, subdivision 6, and by adding a subdivision; Laws 1987, chapter 371, section 4; proposing coding for new law in Minnesota Statutes, chapter 216B; repealing Minnesota Statutes 1988, section 216B.17, subdivisions 2, 3, 4, and 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 129 yeas and 2 nays as follows:

Those who voted in the affirmative were:

Abrams	Frerichs	Krueger	Onnen	Segal
Anderson, G.	Girard	Lasley	Orenstein	Simoneau
Anderson, R.	Greenfield	Lieder	Osthoff	Skoglund
Battaglia	Gruenes	Limmer	Ostrom	Solberg
Bauerly	Hartle	Long	Otis	Sparby
Beard	Hasskamp	Lynch	Ozment	Stanius
Begich	Haukoos	Macklin	Pappas	Steensma
Bennett	Heap	Marsh	Pauly	Sviggum
Bertram	Henry	McDonald	Pellow	Swenson
Bishop	Himle	McEachern	Pelowski	Tjornhom
Blatz	Hugoson	McGuire	Peterson	Tompkins
Boo	Jacobs	McLaughlin	Poppenhagen	Trimble
Brown	Janezich	McPherson	Price	Tunheim
Burger	Jaros	Milbert	Pugh	Uphus
Carlson, D.	Jefferson	Miller	Quinn	Valento
Carlson, L.	Jennings	Morrison	Redalen	Vellenga
Carruthers	Johnson, A.	Munger	Reding	Wagenius
Clark	Johnson, R.	Murphy	Rest	Waltman
Conway	Johnson, V.	Nelson, C.	Rice	Weaver
Cooper	Kahn	Neuenschwander	Rodosovich	Welle
Dauner	Kalis	O'Connor	Rukavina	Wenzel
Dawkins	Kelly	Ogren	Sarna	Williams
Dille	Kelso	Olsen, S.	Schafer	Winter
Dorn	Kinkel	Olson, E.	Scheid	Wynia
Forsythe	Knickerbocker	Olson, K.	Schreiber	Spk. Vanasek
Frederick	Kostohryz	Omann	Seaberg	

Those who voted in the negative were:

Dempsey                      Runbeck

The bill was passed and its title agreed to.

S. F. No. 163, A bill for an act relating to traffic regulations; regulating U-turns; providing for color and equipment requirements on school buses carrying ten or more persons; establishing conditions under which school bus drivers must activate flashing amber lights; providing for bumper requirements on private passenger vehicles; amending Minnesota Statutes 1988, sections 169.19, subdivision 2; 169.44, subdivisions 1a and 2; and 169.73.

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	Battaglia	Begich	Bishop	Brown
Anderson, G.	Bauerly	Bennett	Blatz	Burger
Anderson, R.	Beard	Bertram	Boo	Carlson, D.

Carlson, L.	Jacobs	McGuire	Pellow	Sparby
Carruthers	Janezich	McLaughlin	Pelowski	Stanius
Clark	Jaros	McPherson	Peterson	Steensma
Conway	Jefferson	Milbert	Poppenhagen	Sviggum
Cooper	Jennings	Miller	Price	Swenson
Dauner	Johnson, A.	Morrison	Pugh	Tjornhom
Dawkins	Johnson, R.	Munger	Quinn	Tompkins
Dempsey	Johnson, V.	Murphy	Redalen	Trimble
Dille	Kalis	Nelson, C.	Reding	Tunheim
Dorn	Kelly	Neuenschwander	Rest	Uphus
Forsythe	Kelso	O'Connor	Rice	Valento
Frederick	Kinkel	Ogren	Richter	Vellenga
Frerichs	Knickerbocker	Olsen, S.	Rodosovich	Wagenius
Girard	Kostohryz	Olson, E.	Rukavina	Waltman
Greenfield	Krueger	Olson, K.	Runbeck	Weaver
Gruenes	Lasley	Omann	Sarna	Welle
Gutknecht	Lieder	Onnen	Schafer	Wenzel
Hartle	Limmer	Orenstein	Scheid	Williams
Hasskamp	Long	Osthoff	Schreiber	Winter
Haukoos	Lynch	Ostrom	Seaberg	Wynia
Heap	Macklin	Otis	Segal	Spk. Vanasek
Henry	Marsh	Ozment	Simoneau	
Himle	McDonald	Pappas	Skoglund	
Hugoson	McEachern	Pauly	Solberg	

The bill was passed and its title agreed to.

S. F. No. 831, A bill for an act relating to local government; permitting local government appropriations for the arts; proposing coding for new law in Minnesota Statutes, chapter 471.

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 120 yeas and 13 nays as follows:

Those who voted in the affirmative were:

Abrams	Forsythe	Kahn	Murphy	Reding
Anderson, G.	Frederick	Kalis	Nelson, C.	Rest
Anderson, R.	Frerichs	Kelly	Neuenschwander	Rice
Battaglia	Girard	Kelso	O'Connor	Rodosovich
Bauerly	Greenfield	Kinkel	Ogren	Rukavina
Beard	Gruenes	Knickerbocker	Olsen, S.	Runbeck
Begich	Gutknecht	Kostohryz	Olson, E.	Sarna
Bennett	Hartle	Krueger	Olson, K.	Schafer
Bertram	Hasskamp	Lasley	Omann	Seaberg
Bishop	Haukoos	Lieder	Onnen	Segal
Boo	Heap	Long	Orenstein	Simoneau
Brown	Henry	Macklin	Ostrom	Skoglund
Burger	Himle	Marsh	Otis	Solberg
Carlson, D.	Hugoson	McDonald	Ozment	Sparby
Carlson, L.	Jacobs	McEachern	Pappas	Steensma
Clark	Janezich	McGuire	Pauly	Sviggum
Conway	Jaros	McLaughlin	Pelowski	Swenson
Cooper	Jefferson	McPherson	Peterson	Tompkins
Dauner	Jennings	Milbert	Poppenhagen	Trimble
Dawkins	Johnson, A.	Miller	Price	Tunheim
Dille	Johnson, R.	Morrison	Pugh	Uphus
Dorn	Johnson, V.	Munger	Quinn	Valento

Vellenga  
WageniusWaltman  
WeaverWelle  
WenzelWilliams  
WinterWynia  
Spk. Vanasek

Those who voted in the negative were:

Blatz  
Carruthers  
DempseyLimmer  
Lynch  
OsthoffFellow  
Redalen  
RichterScheid  
Schreiber  
Stanius

Tjornhom

The bill was passed and its title agreed to.

There being no objection, the order of business reverted to the Consent Calendar.

### CONSENT CALENDAR

S. F. No. 390 which was temporarily laid over earlier today on the Consent Calendar was again reported to the House.

S. F. No. 390, A bill for an act relating to state lands; authorizing sale of certain tax-forfeited land that borders public water in Todd 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 130 yeas and 0 nays as follows:

Those who voted in the affirmative were:

Abrams  
Anderson, G.  
Anderson, R.  
Battaglia  
Bauerly  
Beard  
Begich  
Bennett  
Bertram  
Bishop  
Blatz  
Boo  
Brown  
Burger  
Carlson, D.  
Carlson, L.  
Carruthers  
Clark  
Conway  
Cooper  
Dauner  
Dawkins  
Dempsey  
DilleDorn  
Forsythe  
Frederick  
Frerichs  
Girard  
Greenfield  
Gruenes  
Hartle  
Hasskamp  
Haukoos  
Heap  
Henry  
Himle  
Hugoson  
Jacobs  
Janezich  
Jaros  
Jefferson  
Jennings  
Johnson, A.  
Johnson, R.  
Johnson, V.  
Kahn  
KalisKelly  
Kelso  
Kinkel  
Knickerbocker  
Kostohryz  
Krueger  
Lasley  
Lieder  
Limmer  
Long  
Lynch  
Macklin  
Marsh  
McDonald  
McEachern  
McGuire  
McLaughlin  
McPherson  
Milbert  
Miller  
Morrison  
Murphy  
Nelson, C.  
NeuenschwanderO'Connor  
Ogren  
Olsen, S.  
Olsen, E.  
Olson, K.  
Omann  
Onnen  
Orenstein  
Osthoff  
Ostrom  
Otis  
Ozment  
Pappas  
Pauly  
Pellow  
Pelowski  
Peterson  
Poppenhagen  
Price  
Pugh  
Quinn  
Redalen  
Reding  
RestRice  
Richter  
Rodosovich  
Rukavina  
Runbeck  
Sarna  
Schafer  
Scheid  
Schreiber  
Seaberg  
Segal  
Simoneau  
Skoglund  
Solberg  
Sparby  
Stanius  
Swiggum  
Swenson  
Tjornhom  
Tompkins  
Trimble  
Tunheim  
Uphus  
Valento

Vellenga  
Wagenius

Waltman  
Weaver

Welle  
Wenzel

Williams  
Winter

Wynia  
Spk. Vanasek

The bill was passed and its title agreed to.

### GENERAL ORDERS

Pursuant to Rules of the House, the House resolved itself into the Committee of the Whole with Vanasek in the Chair for consideration of bills pending on General Orders of the day. Quinn presided during a portion of the meeting of the Committee of the Whole. After some time spent therein the Committee arose.

#### REPORT OF THE COMMITTEE OF THE WHOLE

The Speaker resumed the Chair, whereupon the following recommendations of the Committee were reported to the House:

H. F. Nos. 159, 169, 438, 505, 611 and 719 were recommended to pass.

H. F. No. 296 was recommended for progress.

S. F. No. 104, the unofficial engrossment, which it recommended to pass with the following amendment offered by Marsh:

Page 2, line 36, after the period insert "This plan must include wetlands preservation as an important aspect of water conservation and must include proposals to preserve and enhance wetlands."

S. F. No. 358 which it recommended to pass with the following amendment offered by Jacobs:

Delete everything after the enacting clause and insert:

"Section 1. Minnesota Statutes 1988, section 340A.402, is amended to read:

340A.402 [PERSONS ELIGIBLE.]

No retail license may be issued to:

- (1) a person not a citizen of the United States or a resident alien;
- (2) a person under 21 years of age;
- (3) a person who within five years of the license application has

been convicted of a willful violation of a federal or state law or local ordinance governing the manufacture, sale, distribution, or possession for sale or distribution, of intoxicating or nonintoxicating malt liquors;

(4) a person who has had an intoxicating liquor or nonintoxicating liquor license revoked within five years of the license application, or to any person who at the time of the violation owns any interest, whether as a holder of more than five percent of the capital stock of a corporation licensee, as a partner or otherwise, in the premises or in the business conducted thereon, or to a corporation, partnership, association, enterprise, business, or firm in which any such person is in any manner interested; or

(5) (4) a person not of good moral character and repute.

In addition, no new retail license may be issued to, and the governing body of a municipality may refuse to renew the license of, a person who, within five years of the license application, has been convicted of a willful violation of a federal or state law or local ordinance governing the manufacture, sale, distribution, or possession for sale or distribution of an alcoholic beverage.

Sec. 2. Minnesota Statutes 1988, section 340A.405, subdivision 1, is amended to read:

Subdivision 1. [CITIES.] A city may issue with the approval of the commissioner, an off-sale intoxicating liquor license to an exclusive liquor store or to a drugstore. Cities of the first class may also issue an off-sale license to a general food store. A city of the first class may issue an off-sale license to a general food store to which an off-sale license had been issued on the effective date of this section.

Sec. 3. Minnesota Statutes 1988, section 340A.504, subdivision 2, is amended to read:

Subd. 2. [INTOXICATING LIQUOR; ON-SALE.] No sale of intoxicating liquor for consumption on the licensed premises may be made:

(1) between 1:00 a.m. and 8:00 a.m. on the days of Tuesday Monday through Saturday;

(2) between 12:00 midnight and 8:00 a.m. on Mondays;

(3) after 1:00 a.m. on Sundays, except as provided by subdivision 3;

(4) (3) between 8:00 p.m. on December 24 and 8:00 a.m. on December 25, except as provided by subdivision 3.

Sec. 4. Minnesota Statutes 1988, section 340A.504, subdivision 3, is amended to read:

Subd. 3. [INTOXICATING LIQUOR; SUNDAY SALES; ON-SALE.] (a) A restaurant, club, bowling center, or hotel with a seating capacity for at least 30 persons and which holds an on-sale intoxicating liquor license may sell intoxicating liquor for consumption on the premises in conjunction with the sale of food between the hours of 12:00 noon on Sundays and ~~12:00 midnight on Sundays~~ 1:00 a.m. on Mondays.

(b) The governing body of a municipality may after one public hearing by ordinance permit a restaurant, hotel, bowling center, or club to sell intoxicating liquor for consumption on the premises in conjunction with the sale of food between the hours of 10:00 a.m. on Sundays and ~~12:00 midnight on Sundays~~ 1:00 a.m. on Mondays, provided that the licensee is in conformance with the Minnesota clean air act.

(c) An establishment serving intoxicating liquor on Sundays must obtain a Sunday license. The license must be issued by the governing body of the municipality for a period of one year, and the fee for the license may not exceed \$200.

(d) A municipality may issue a Sunday intoxicating liquor license only if authorized to do so by the voters of the municipality voting on the question at a general or special election.

(e) An election conducted in a town on the question of the issuance by the county of Sunday sales licenses to establishments located in the town must be held on the day of the annual election of town officers.

(f) Voter approval is not required for licenses issued by the metropolitan airports commission or common carrier licenses issued by the commissioner. Common carriers serving intoxicating liquor on Sunday must obtain a Sunday license from the commissioner at an annual fee of \$50, plus \$5 for each duplicate.

Sec. 5. Minnesota Statutes 1988, section 340A.504, subdivision 4, is amended to read:

Subd. 4. [INTOXICATING LIQUOR; OFF-SALE.] No sale of intoxicating liquor may be made by an off-sale licensee:

- (1) on Sundays;
- (2) before 8:00 a.m. on Monday through Saturday;
- (3) after 10:00 p.m. on Monday through Saturday at an establish-

ment located in a city other than a city of the first class or within a city located within 15 miles of a city of the first class in the same county;

(4) after 8:00 p.m. on Monday through Thursday and after 10:00 p.m. on Friday and Saturday at an establishment located in a city of the first class or within a city located within 15 miles of a city of the first class in the same county, provided that an establishment may sell intoxicating liquor until 10:00 p.m. on December 31 and July 3, and on the day preceding Thanksgiving day, unless otherwise prohibited under clause (1);

(5) ~~on~~ New Years Day, January 1;

(6) ~~on~~ Independence Day, July 4;

(7) on Thanksgiving Day;

(8) (6) on Christmas Day, December 25; or

(9) (7) after 8:00 p.m. on Christmas Eve, December 24.

Sec. 6. Minnesota Statutes 1988, section 340A.510, is amended to read:

#### 340A.510 [WINE SAMPLES.]

Off-sale licenses and municipal liquor stores may provide samples of malt liquor, wine, liqueurs, and cordials which the licensee or municipal liquor store currently has in stock and is offering for sale to the general public without obtaining an additional license, provided the wine, liqueur, and cordial samples are dispensed at no charge and consumed on the licensed premises during the permitted hours of off-sale in a quantity less than 100 milliliters of malt liquor per variety per customer, 50 milliliters of wine per variety per customer and 25 milliliters of liqueur or cordial per variety per customer.

#### Sec. 7. [OFF-SALE LICENSE; CANOSIA TOWNSHIP.]

Notwithstanding any other provision of law, the town board of Canosia township in St. Louis county may issue an off-sale intoxicating liquor license to an exclusive liquor store with the approval of the commissioner of public safety. A license under this section is governed by all provisions of Minnesota Statutes, chapter 340A, except as otherwise provided in this section.

#### Sec. 8. [REPEALER.]

Minnesota Statutes 1988, section 340A.412, subdivision 1, is repealed.

Sec. 9. [EFFECTIVE DATE.]

Section 5 is effective the day following final enactment. Section 7 is effective on approval by the Canosia town board and compliance with Minnesota Statutes, section 645.021."

Delete the title and insert:

"A bill for an act relating to liquor; clarifying license eligibility; changing the time of sale on certain holidays; allowing for the dispensing of samples of malt liquor; repealing bond requirement for retail licensees; authorizing the town board of Canosia township to issue an off-sale license; amending Minnesota Statutes 1988, sections 340A.402; 340A.405, subdivision 1; 340A.504, subdivisions 2, 3, and 4; and 340A.510; repealing Minnesota Statutes 1988, section 340A.412, subdivision 1."

On the motion of Wynia the report of the Committee of the Whole was adopted.

ROLL CALLS IN COMMITTEE OF THE WHOLE

Pursuant to rule 1.6, the following roll calls were taken in the Committee of the Whole:

Stanius; Carlson, D., and Miller moved to amend H. F. No. 169, the first engrossment, as follows:

Page 1, line 9, after "SPEARING" insert "; ANGLING"

Page 1, line 10, after "spearing" in both places insert "or angling"

Page 1, line 13, after "spearing" insert "or angling"

Page 1, line 14, after "speared" insert "or caught by angling"

Page 1, after line 16, insert:

"Sec. 2. Minnesota Statutes 1988, section 97A.475, subdivision 6, is amended to read:

Subd. 6. [RESIDENT FISHING.] Fees for the following licenses, to be issued to residents only, are:

(1) to take fish by angling, for persons under age 65, \$9.50;

- (2) to take fish by angling, for persons age 65 and over, \$4;
- (3) to take fish by angling, for a combined license for a married couple, \$13.50;
- (4) (3) to take fish by spearing from a dark house, \$12; and
- (5) (4) to take fish by angling for a period of 24 hours from the time of issuance, \$4.50.

Sec. 3. Minnesota Statutes 1988, section 97A.485, subdivision 6, is amended to read:

Subd. 6. [LICENSES TO BE SOLD AND ISSUING FEES.] (a) Persons authorized to sell licenses under this section must sell the following licenses for the license fee and the following issuing fees:

(1) to take deer or bear with firearms and by archery, the issuing fee is \$1;

(2) Minnesota sporting, the issuing fee is \$1; and

(3) to take small game, for a person under age 65 to take fish by angling or for a person of any age to take fish by spearing, and to trap fur-bearing animals, the issuing fee is \$1;

(4) for a trout and salmon stamp that is not issued simultaneously with an angling or sporting license, an issuing fee of 50 cents may be charged at the discretion of the authorized seller; and

(5) for stamps other than a trout and salmon stamp, there is no fee.

(b) An issuing fee may not be collected for issuance of a trout and salmon stamp if a stamp is issued simultaneously with the related angling or sporting license. Only one issuing fee may be collected when selling more than one trout and salmon stamp in the same transaction after the end of the season for which the stamp was issued.

(c) The auditor or subagent shall keep the issuing fee as a commission for selling the licenses.

(d) The commissioner shall collect the issuing fee on licenses sold by the commissioner.

(e) A license, except stamps, must state the amount of the issuing fee and that the issuing fee is kept by the seller as a commission for selling the licenses.

(f) The fee for an angling license paid by a resident 65 years of age or over must be refunded to the licensee upon request to the commissioner, if the request is made within 30 days of the sale. The commissioner shall design a system on the license for this purpose."

Amend the title as follows:

Page 1, line 3, after "spearing" insert "or angling"

Page 1, line 4, delete "section" and insert "sections"

Page 1, line 5, before the period insert "; 97A.475, subdivision 6; and 97A.485, subdivision 6"

The question was taken on the Stanius et al amendment and the roll was called. There were 45 yeas and 81 nays as follows:

Those who voted in the affirmative were:

Beard	Girard	Lynch	Ogren	Schreiber
Bennett	Gruenes	Macklin	Olsen, S.	Seaberg
Blatz	Hartle	Marsh	Omann	Stanisus
Carlson, D.	Haukoos	McDonald	Ozment	Swiggum
Carlson, L.	Henry	McEachern	Pauly	Swenson
Dempsey	Hugoson	McPherson	Pellow	Tjornhom
Forsythe	Johnson, V.	Milbert	Richter	Tompkins
Frederick	Krueger	Miller	Runbeck	Valento
Ferichs	Limmer	Nelson, C.	Schafer	Waltman

Those who voted in the negative were:

Abrams	Dille	Kinkel	Ostrom	Simoneau
Anderson, G.	Dorn	Knickerbocker	Otis	Skoglund
Anderson, R.	Greenfield	Kostohryz	Pelowski	Solberg
Battaglia	Hasskamp	Lasley	Peterson	Sparby
Bauerly	Heap	Lieder	Price	Steensma
Begich	Himle	Long	Pugh	Trimble
Bertram	Jacobs	McGuire	Quinn	Tunheim
Boo	Janezich	McLaughlin	Redalen	Uphus
Brown	Jaros	Morrison	Reding	Vellenga
Burger	Jefferson	Munger	Rest	Wagenius
Carruthers	Johnson, A.	Murphy	Rice	Weaver
Clark	Johnson, R.	Neuenschwander	Rodosovich	Welle
Conway	Kahn	O'Connor	Rukavina	Wenzel
Cooper	Kalis	Olson, E.	Sarna	Williams
Dauner	Kelly	Orenstein	Scheid	Winter
Dawkins	Kelso	Osthoff	Segal	Wynia
				Spk. Vanasek

The motion did not prevail and the amendment was not adopted.

Stanisus moved to amend H. F. No. 169, the first engrossment, as follows:

Page 1, after line 16, insert:

## "Sec. 2. [REPEALER.]

Minnesota Statutes 1988, section 97C.385, subdivision 1, is repealed."

Renumber the sections in sequence

Correct internal references

Amend the title accordingly

The question was taken on the Stanius amendment and the roll was called. There were 47 yeas and 80 nays as follows:

Those who voted in the affirmative were:

Abrams	Girard	Knickerbocker	Osthoff	Skoglund
Bennett	Gruenes	Kostohryz	Pauly	Stanius
Blatz	Gutknecht	Limmer	Pellow	Swenson
Boo	Hartle	Lynch	Redalen	Tjornhom
Burger	Haukoos	Macklin	Richter	Valento
Carlson, D.	Heap	Marsh	Runbeck	Wagenius
Dempsey	Henry	McDonald	Schafer	Weaver
Dille	Himle	Miller	Scheid	
Frederick	Hugoson	Morrison	Schreiber	
Frerichs	Johnson, V.	Olsen, S.	Seaberg	

Those who voted in the negative were:

Anderson, G.	Hasskamp	McEachern	Otis	Solberg
Anderson, R.	Jacobs	McGuire	Pappas	Sparby
Battaglia	Janezich	McLaughlin	Pelowski	Steensma
Bauerly	Jaros	McPherson	Peterson	Swiggum
Begich	Jefferson	Milbert	Poppenhagen	Tompkins
Bertram	Jennings	Munger	Price	Trimble
Brown	Johnson, A.	Murphy	Pugh	Tunheim
Carlson, L.	Johnson, R.	Nelson, C.	Quinn	Uphus
Carruthers	Kahn	Neuenschwander	Reding	Vellenga
Clark	Kelly	O'Connor	Rest	Waltman
Conway	Kelso	Ogren	Rice	Welle
Cooper	Kinkel	Olson, K.	Rodosovich	Wenzel
Dauner	Krueger	Omann	Rukavina	Williams
Dorn	Lasley	Onnen	Sarna	Winter
Forsythe	Lieder	Orenstein	Segal	Wynia
Greenfield	Long	Ostrom	Simoneau	Spk. Vanasek

The motion did not prevail and the amendment was not adopted.

## MOTIONS AND RESOLUTIONS

### SUSPENSION OF RULES

Lieder moved that H. F. No. 1586 be recalled from the Committee on Appropriations, and pursuant to Article IV, Section 19, of the

Constitution of the state of Minnesota, Lieder further moved that the rule therein be suspended and an urgency be declared so that H. F. No. 1586 be given its second and third readings and be placed upon its final passage. The motion prevailed.

Lieder moved that the Rules of the House be so far suspended that H. F. No. 1586 be given its second and third readings and be placed upon its final passage. The motion prevailed.

H. F. No. 1586 was read for the second time.

Lieder moved to amend H. F. No. 1586, as follows:

Page 1, line 7, delete "\$ . . . . ." and insert "\$250,000"

The motion prevailed and the amendment was adopted.

Anderson, G., and Schreiber moved to amend H. F. No. 1586, as amended, as follows:

Page 1, after line 9, insert:

"Sec. 2. [ARBITRATION AWARD.]

\$3,799,000 is appropriated from the state building fund to the commissioner of administration to pay the state office building arbitration award.

Sec. 3. [BOND SALE.]

To provide the money appropriated by section 2 from the state building fund the commissioner of finance on request of the governor shall sell and issue bonds of the state in an amount up to \$3,799,000 in the manner, upon the terms, and with the effect prescribed by Minnesota Statutes, sections 16A.631 to 16A.675, and by the Minnesota Constitution, article XI, sections 4 to 7.

Page 1, line 11, delete "Section 1 is" and insert "Sections 1 to 3 are"

Amend the title as follows:

Page 1, line 3, after "flooding" insert "; providing for an arbitration award"

The question was taken on the Anderson, G., and Schreiber amendment and the roll was called. There were 130 yeas and 0 nays as follows:

## Those who voted in the affirmative were:

Abrams	Frerichs	Lasley	Orenstein	Seaberg
Anderson, G.	Girard	Lieder	Osthoff	Segal
Anderson, R.	Greenfield	Limmer	Ostrom	Simoneau
Battaglia	Gruenes	Long	Otis	Skoglund
Bauerly	Gutknecht	Lynch	Ozment	Solberg
Beard	Hartle	Macklin	Pappas	Sparby
Begich	Hasskamp	Marsh	Pauly	Stanisus
Bennett	Haukoos	McDonald	Pellow	Steensma
Bertram	Heap	McEachern	Pelowski	Sviggum
Bishop	Henry	McGuire	Peterson	Swenson
Blatz	Himle	McLaughlin	Poppenhagen	Tjornhom
Boo	Hugoson	McPherson	Price	Tompkins
Brown	Jacobs	Milbert	Pugh	Trimble
Burger	Janezich	Miller	Quinn	Tunheim
Carlson, D.	Jefferson	Morrison	Redalen	Uphus
Carlson, L.	Jennings	Munger	Reding	Valento
Carruthers	Johnson, A.	Murphy	Rest	Vellenga
Conway	Johnson, R.	Nelson, C.	Rice	Wagenius
Cooper	Johnson, V.	Neuenschwander	Richter	Waltman
Dauner	Kahn	O'Connor	Rodosovich	Weaver
Dawkins	Kalis	Ogren	Rukavina	Welle
Dempsey	Kelly	Olsen, S.	Runbeck	Wenzel
Dille	Kelso	Olsen, E.	Sarna	Williams
Dorn	Kinkel	Olson, K.	Schafer	Winter
Forsythe	Knickerbocker	Omann	Scheid	Wynia
Frederick	Kostohryz	Onnen	Schreiber	Spk. Vanasek

The motion prevailed and the amendment was adopted.

H. F. No. 1586, A bill for an act relating to appropriations; providing emergency relief for Red River Valley area flooding; providing for an arbitration award.

The bill was read for the third time, as amended, and placed upon its final passage.

The question was taken on the passage of the bill and the roll was called. There were 130 yeas and 0 nays as follows:

## Those who voted in the affirmative were:

Abrams	Clark	Heap	Kostohryz	Murphy
Anderson, G.	Conway	Henry	Krueger	Nelson, C.
Anderson, R.	Cooper	Himle	Lasley	Neuenschwander
Battaglia	Dauner	Hugoson	Lieder	O'Connor
Bauerly	Dawkins	Jacobs	Limmer	Ogren
Beard	Dempsey	Janezich	Long	Olsen, S.
Begich	Dille	Jefferson	Lynch	Olson, E.
Bennett	Dorn	Jennings	Macklin	Olson, K.
Bertram	Forsythe	Johnson, A.	Marsh	Omann
Bishop	Frederick	Johnson, R.	McDonald	Onnen
Blatz	Frerichs	Johnson, V.	McEachern	Orenstein
Boo	Girard	Kahn	McLaughlin	Osthoff
Brown	Greenfield	Kalis	McPherson	Ostrom
Burger	Gruenes	Kelly	Milbert	Otis
Carlson, D.	Gutknecht	Kelso	Miller	Ozment
Carlson, L.	Hartle	Kinkel	Morrison	Pappas
Carruthers	Haukoos	Knickerbocker	Munger	Pauly

Pellow	Rest	Schreiber	Sviggum	Wagenius
Pelowski	Rice	Seaberg	Swenson	Waltman
Peterson	Richter	Segal	Tjornhom	Weaver
Poppenhagen	Rodosovich	Simoneau	Tompkins	Welle
Price	Rukavina	Skoglund	Trimble	Wenzel
Pugh	Runbeck	Solberg	Tunheim	Williams
Quinn	Sarna	Sparby	Uphus	Winter
Redalen	Schafer	Stanuis	Valento	Wynia
Reding	Scheid	Steensma	Vellenga	Spk. Vanasek

The bill was passed, as amended, and its title agreed to.

### MOTIONS AND RESOLUTIONS, Continued

Price moved that the name of O'Connor be added as an author on H. F. No. 56. The motion prevailed.

Kelly moved that the name of Tjornhom be added as an author on H. F. No. 110. The motion prevailed.

Scheid moved that the name of Johnson, V., be added as an author on H. F. No. 543. The motion prevailed.

Carlson, D., moved that the name of Begich be shown as chief author and that his name be shown as second author on H. F. No. 909. The motion prevailed.

Jaros moved that the name of Munger be stricken and the name of McDonald be added as an author on H. F. No. 1132. The motion prevailed.

Carruthers moved that the name of Peterson be added as an author on H. F. No. 1354. The motion prevailed.

Milbert and Stanuis moved that their names be stricken as authors on H. F. No. 1388. The motion prevailed.

Scheid moved that the name of Haukoos be stricken and the name of Hugoson be added as an author on H. F. No. 1491. The motion prevailed.

Lieder moved that the name of Sparby be added as an author on H. F. No. 1586. The motion prevailed.

Segal moved that the names of Rukavina and Jaros be added as authors on H. F. No. 1588. The motion prevailed.

Dorn moved that the name of Trimble be stricken and the name of Tjornhom be added as an author on H. F. No. 1593. The motion prevailed.

Pugh moved that H. F. No. 1203 be recalled from the Committee on

Commerce and be re-referred to the Committee on Judiciary. The motion prevailed.

Bertram moved that S. F. No. 294 be recalled from the Committee on Health and Human Services and together with H. F. No. 132, now on Technical General Orders, be referred to the Chief Clerk for comparison. The motion prevailed.

Reding moved that H. F. No. 1541 be recalled from the Committee on Environment and Natural Resources and be re-referred to the Committee on Taxes. The motion prevailed.

Dorn moved that H. F. No. 1593 be recalled from the Committee on Economic Development and be re-referred to the Committee on Appropriations. The motion prevailed.

Jennings moved that H. F. No. 660, now on General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

Begich moved that H. F. No. 881, now on General Orders, be re-referred to the Committee on Appropriations. The motion prevailed.

#### ADJOURNMENT

Wynia moved that the House adjourn. The motion prevailed, and the Speaker declared the House stands adjourned until 2:30 p.m., Thursday, April 13, 1989.

EDWARD A. BURDICK, Chief Clerk, House of Representatives

